

South Carolina Electric & Gas Company – Annual Request
for Revised Rates

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2010 - 157 - E

(Please type or print)

Submitted by: K. Chad BurgessSC Bar Number: 69456

Address: SCANA Corp.
1426 Main Street MC 130
Columbia, SC 29201

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)

NATURE OF ACTION (Check all that apply)

- | | | | |
|--|--|--|--|
| <input checked="" type="checkbox"/> Electric | <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input checked="" type="checkbox"/> Request |
| <input type="checkbox"/> Electric/Gas | <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certification |
| <input type="checkbox"/> Electric/Telecommunications | <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigation |
| <input type="checkbox"/> Electric/Water | <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Electric/Water/Telecom. | <input type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Electric/Water/Sewer | <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Railroad | <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Sewer | <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input type="checkbox"/> Telecommunications | <input type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Water | <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |



K. Chad Burgess
Assistant General Counsel

chad.burgess@scana.com

May 28, 2010

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Interim Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive (29210)
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: South Carolina Electric & Gas Company
Annual Request for Revised Rates
Docket No. 2010-157-E

Dear Ms. Boyd:

South Carolina Electric & Gas Company ("SCE&G" or "Company"), pursuant to S.C. Code Ann. § 58-33-280 (Supp. 2009), is hereby filing with the Public Service Commission of South Carolina ("Commission") ten (10) copies of its Annual Request for Revised Rates. Section 58-33-280 authorizes SCE&G to file an Annual Request for Revised Rates no earlier than one year after the filing of the Company's Combined Application, which was filed on May 30, 2008, in Docket No. 2008-196-E. In as much as the anniversary date of the filing of the Combined Application falls on a weekend, SCE&G submits this filing on May 28, 2010, to be effective May 30, 2010. As indicated in the Combined Application, the Company intends to file future requests for revised rates annually with an effective date of May 30. SCE&G is also petitioning the Commission to enter a confidentiality order protecting certain commercially sensitive information from disclosure, as set forth below.

As part its Annual Request for Revised Rates, SCE&G is filing as an exhibit, as required by § 58-33-280(B), a redacted and unredacted copy of its Quarterly Monitoring Report for the quarter ending March 31, 2010. Therefore, SCE&G is filing both a Public Version and a Confidential Version of its Annual Request for Revised Rates. In both versions, the Quarterly Monitoring Report is designated as Exhibit A.

The Confidential Version of the Annual Request for Revised Rates contains confidential information related to the pricing and pricing terms of the Engineering, Procurement and Construction Agreement ("EPC Contract") between SCE&G and a consortium consisting of Westinghouse Electric Company, LLC and Stone & Webster, Inc. (collectively, "Contractor"). The EPC Contract contains confidentiality provisions that require SCE&G to protect proprietary

(Continued . . .)

The Honorable Jocelyn G. Boyd

May 28, 2010

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information that the Contractor believes to constitute trade secrets and to be commercially sensitive. The Contractor has requested that SCE&G maintain the confidentiality of certain information contained in the Quarterly Report; more specifically, certain portions of **Appendix 2, Chart A and Appendix 3** to the Quarterly Report. This confidential information has been redacted from the Public Version of those appendices.

In keeping with the Contractor's request and the terms of the EPC Contract, SCE&G respectfully requests that the Commission find that Confidential Version of the Annual Request for Revised Rates contains protected information and issue a protective order barring the disclosure of Exhibit A of the Annual Request for Revised Rates under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in its public form. Pursuant to 26 S.C. Code Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion. Such a ruling in this instance would be consistent with the Commission's prior rulings in Docket No. 2008-196-E, Docket No. 2009-211-E and Docket No. 2009-293-E finding, among other things, that the pricing and pricing terms of the EPC Contract to be confidential and issuing a protective order barring the disclosure of this information.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, enclosed with this letter and attached to the Annual Request for Revised Rates as Exhibit A is as follows:

1. A true and correct copy of the Confidential Version of the Annual Request for Revised Rates in a sealed envelope marked "CONFIDENTIAL." Each confidential page of the Confidential Version of the Annual Request for Revised Rates is also marked "CONFIDENTIAL."
2. Ten copies of a redacted Public Version of the Annual Request for Revised Rates for filing and public disclosure.

SCE&G respectfully requests, in the event that anyone should seek disclosure of the unredacted Confidential Version of the above-referenced documents, that the Commission notify SCE&G of such request and provide it and the Contractor with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Confidential Version of these documents from disclosure.

(Continued . . .)

The Honorable Jocelyn G. Boyd
May 28, 2010
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If you have any questions, please advise.

Very truly yours,

A handwritten signature in blue ink, appearing to read "K. Chad Burgess", with a stylized flourish at the end.

K. Chad Burgess

KCB/kms
Enclosures

cc: John W. Flitter
Nanette S. Edwards, Esquire
Shannon Bowyer Hudson, Esquire
(all via hand delivery)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2010-157-E

IN RE:

South Carolina Electric & Gas Company -)	
Annual Request for Review Rates)	
_____)	
	CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of South Carolina Electric & Gas Company's **Annual Request for Revised Rates** to the persons named below via hand delivery:

Nanette S. Edwards, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

Shannon Bowyer Hudson, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

John Flitter
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201



Karen M. Scruggs

Columbia, South Carolina
This 28th day of May 2010

BEFORE
THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA
DOCKET NO. 2010-157-E

In the Matter of:)	<u>SOUTH CAROLINA ELECTRIC &</u>
South Carolina Electric & Gas Company's)	<u>GAS COMPANY'S REQUEST FOR</u>
Annual Request for Revised Rates)	<u>APPROVAL OF REVISED RATES</u>
)	

Pursuant to S.C. Code Ann. § 58-33-280, South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby submits its annual request for approval of revised rates.

In accordance with the terms of S.C. Code Ann. § 58-33-280, SCE&G may file with the Public Service Commission of South Carolina ("Commission") a request for approval of revised rates approved in a base load review order no earlier than one year after the filing of a combined application in accordance with the Base Load Review Act and no more frequently than annually thereafter. The Combined Application in Docket No. 2008-196-E was filed on May 30, 2008. As indicated by SCE&G in the Combined Application in Docket No. 2008-196-E, SCE&G intends to file future requests for revised rates annually with an effective date of May 30. Accordingly, a subsequent filing for revised rates under S.C. Code Ann. § 58-33-280 was filed effective May 30, 2009. In as much as the anniversary date of the filing of the Combined Application in Docket No. 2008-196-E falls on a weekend this year, this request for revised rates is being submitted on May 28, 2010 to be effective as of that anniversary date, which is May 30, 2010.

In support of this request, SCE&G would respectfully show to the Commission:

1. SCE&G is a corporation duly organized and existing under the laws of the State of South Carolina, with its principal offices at 220 Operation Way, Cayce, South Carolina, 29033. The Company is engaged in, among other things, the business of generating, transmitting, delivering, and providing electricity to public and private energy users for compensation.

2. SCE&G owns and operates an integrated electric utility system that serves over 650,000 customers in 24 counties in central and southern South Carolina. SCE&G's service territory includes the metropolitan areas of Charleston, Columbia, Beaufort, and Aiken and many other smaller cities and towns, and rural areas in South Carolina.

3. On May 30, 2008, SCE&G filed a Combined Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load Review Order for the Construction and Operation of a Nuclear Facility in Jenkinsville, South Carolina ("Combined Application") in Docket No. 2008-196-E. As part of the Combined Application, SCE&G requested initial revised rates reflecting the Company's then current investment in the plant.

4. A hearing on the Combined Application was held before the Commission starting on December 1, 2008 and concluding on December 17, 2008.

5. On March 2, 2009, the Commission issued Order No. 2009-104(A) granting the Combined Application and approving, *inter alia*, initial revised rates as requested in the Combined Application, as amended during the pendency of the hearing on the Combined Application.

6. On July 20, 2009, SCE&G filed a request pursuant S.C. Code Ann. § 58-33-270(E) (Supp. 2009) to approve updated milestone and capital costs schedules for the

construction of V. C. Summer Nuclear Station Units 2 & 3 (“Units”). On January 21, 2010, the Commission issued Order No. 2010-12 approving SCE&G’s request and modifying the milestone and capital cost schedules initially approved in Order No. 2009-104(A).

7. In compliance with S.C. Code Ann. § 58-33-277(A) and Commission Order No. 2009-104(A), SCE&G filed with the South Carolina Office of Regulatory Staff (“ORS”) its quarterly reports for each quarter since the effective date of Order No. 2009-104(A). On May 17, 2010, SCE&G filed its most recent quarterly report for the period ended March 31, 2010 (the “Quarterly Report”). The Quarterly Report provides information concerning the status of the Units and updates the capital cost and construction schedules for the Units as approved in Order No. 2010-12. A copy of the Quarterly Report is attached as **Exhibit A**, which reflects that the Units are being constructed in accordance with the construction schedules and cumulative cost forecasts approved in Commission Order No. 2010-12.

8. So long as the Units are being constructed in accordance with the construction schedules and cumulative cost forecasts approved under Commission Order No. 2010-12, S.C. Code Ann. § 58-33-280(B) provides for the utility to recover through revised rates its weighted average cost of capital applied to all or part of the outstanding balance of construction work in progress calculated as of a date specified in a filing for revised rates.

9. As required by the Base Load Review Act, in calculating the proposed revised rates, SCE&G has utilized the factors, allocations, and rate design used to establish the initial revised rates or otherwise approved by the Commission in Commission Order No. 2009-104(A) and has otherwise followed the terms of that order as modified by Order No. 2010-12.

10. As further required by the Base Load Review Act, the additional revenue to be collected through revised rates has been allocated among customer classes based on SCE&G’s

firm peak demand data from the prior year. For purposes of allocating the proposed rates in this filing, SCE&G has utilized data for the adjusted summer peak of 2009, as set forth in **Exhibit B**.

11. The revised rates as proposed herein will allow the Company to earn a return on equity of 11% as set forth in Commission Order 2009-104(A).

12. Pursuant to S.C. Code Ann. § 58-33-280(B), SCE&G has chosen June 30, 2010 as the date for calculating its outstanding balance of construction work in progress and weighted average cost of capital.

13. All pleadings, correspondence and communication relating to this Application should be addressed to the following, who are authorized representatives to accept service on behalf of the Company.

K. Chad Burgess
Matthew W. Gissendanner
South Carolina Electric & Gas Company
Mail Code C222
220 Operation Way
Cayce, South Carolina 29033
(803) 217-8141
chad.burgess@scana.com
matthew.gissendanner@scana.com

Attorneys for the Applicant

14. **Exhibit C** sets forth SCE&G's capital structure and weighted average cost of capital projected through June 30, 2010.

15. **Exhibit D** sets forth the calculation of the incremental revenue requirement associated with the proposed revised rates. As set forth in **Exhibit D**, the Company's projected incremental construction work in progress through June 30, 2010 is \$461,903,000. The resulting increase in retail rates is approximately \$54,561,000.

16. To recover this revenue requirement, SCE&G proposes to revise rates resulting in the following increases: the Residential class will have an average increase in rates of 2.82%, the Small General Service class will have an average increase in rates of 2.71%, the Medium General Service class will have an average increase in rates of 2.82%, and the Large General Service class will have an average increase in rates of 2.55%. See **Exhibit E**.

17. As **Exhibit F** to this filing, SCE&G is providing updated tariff sheets setting forth the revised rates being proposed in this docket. At the time of this filing, Docket No. 2009-489-E is currently pending before the Commission in which the Commission is considering SCE&G's Application for Increases and Adjustments in Electric Rate Schedules and Tariffs. On May 24, 2010, SCE&G, ORS and various parties to that proceeding caused to be filed the Third Stipulation on Certain Matters ("Stipulation") in which the parties stipulated to all contested issues in that case, including proposed rates and tariffs. The Stipulation remains subject to approval of the Commission. The tariff sheets attached hereto in Exhibit F do not utilize the tariff sheets filed as part of the Stipulation as the basis for calculating the rates contained therein and, therefore, are subject to modification or amendment as a result of a final order in Docket No. 2009-489-E.

18. Consistent with Order No. 2009-104(A), SCE&G has increased the Basic Facilities Charges for the Small General Service, Medium General Service, and Large General Service classes. No changes have been made to the Basic Facilities Charge for the Residential class. Demand charges have been adjusted as appropriate for all customer classes. SCE&G reserves the right to adjust all of these charges as appropriate in future rate proceedings.

19. As **Exhibit G** to this filing SCE&G is providing an updated forecast of future revenue requirements and rate increases that corresponds to the information provided on Exhibit

M to the Combined Application in Docket No. 2008-196-E, as amended in the prior revised rates filing in Docket No. 2009-211-E.

WHEREFORE, South Carolina Electric & Gas Company respectfully requests that, upon completion of the audit and report by ORS as provided in S.C. Code Ann. § 58-33-280(D), the Commission issue an Order approving the proposed revised rates as set forth herein.

[SIGNATURE PAGE FOLLOWS]

SOUTH CAROLINA ELECTRIC & GAS COMPANY

BY: 

Kevin B. Marsh
President, South Carolina Electric & Gas Company

Date: May 30, 2010

Index to Exhibits

1. **Exhibit A:** Quarterly Report for the Quarter Ending March 31, 2010.
2. **Exhibit B:** Peak Allocator.
3. **Exhibit C:** Capital Structure.
4. **Exhibit D:** Calculation of the Revenue Requirement.
5. **Exhibit E:** Rate Increase by Class.
6. **Exhibit F:** Tariff Sheets.
7. **Exhibit G:** Update of Projected Rate Increases.

V. C. Summer Nuclear Station Units 2 & 3**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104A****Quarter Ending March 31, 2010****I. Introduction and Summary****A. Introduction**

This quarterly report is submitted by South Carolina Electric & Gas Company ("SCE&G" or "Company") to the Public Service Commission of South Carolina (the "Commission") and the South Carolina Office of Regulatory Staff ("ORS"). It is submitted in satisfaction of the requirements of S.C. Code Ann. § 58-33-277 (Supp. 2009) and the terms of Commission Order No. 2009-104A. This report provides updated information concerning the status of construction of V. C. Summer Nuclear Station Units 2 & 3 (the "Units") and updates the capital cost and construction schedules for the Units as approved in Order No. 2009-104A and Order No. 2010-12. Order No. 2009-104A is the base load review order related to the Units that was issued by the Commission on February 27, 2009. The Commission approved updated capital cost schedules and construction milestone schedules for the Units in Order No. 2010-12.

B. Structure of Report and Appendices

The current reporting period is the quarter ending March 31, 2010. The report is divided into the following sections:

- Section I: Introduction and Summary;
- Section II: Progress of Construction of the Units;
- Section III: Anticipated Construction Schedules;
- Section IV: Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (the inflation indices);
- Section V: Updated Schedule of Anticipated Capital Costs; and
- Section VI: Conclusion.

Appendices 1, 2, and 4 to this report contain detailed financial, milestone and other information updating the schedules approved by the Commission in Order No.

2010-12. For reference purposes, **Appendix 3** provides a copy of the approved capital cost schedule for the project without adjustments in the form approved in Order No. 2010-12.

A confidential and a public version of this report and its attachments are being provided. All cost information presented reflects only SCE&G's share of the project's cost.

As indicated below, construction of Units 2 & 3 is proceeding in full compliance with the cost and schedule forecasts approved by the Commission, as updated.

C. Construction Schedule and Milestones

As the report indicates, the Company has met all current milestones approved by the Commission in Order No. 2010-12, as adjusted pursuant to contingencies authorized in Order No. 2009-104A. There are 146 separate milestones. Of these, 48 have been completed as of March 31, 2010. Comparing the milestone completion dates for this quarter to the milestone dates approved by the Commission in Order No. 2010-12, the completion dates of 48 milestones have changed. Of these, 33 have been accelerated and 15 have been delayed for between one and six months.

D. Construction Costs and Cost Forecasts

As this report indicates, the Company is on track to complete the Units at the construction cost forecast of \$4.5 billion in 2007 dollars, net of Allowance for Funds Used During Construction ("AFUDC"), as approved in Order No. 2009-104A.

In Order No. 2009-104A, the Commission recognized that forecasts of AFUDC expense and escalation would vary over the course of the project and required those forecasts to be updated with each quarterly report. New escalation indices were issued in early May for the period July-December 2009 and those indices have been used in recalculating and re-forecasting project costs. As **Chart A** below shows the forecasted construction cost for the project in 2007 dollars is unchanged.

Chart A: Reconciliation of Capital Cost (\$000)

<u>Forecast Item</u>	<u>Projected 03/31/10 @ Five-Year Average Escalation Rates</u>	<u>Projected 12/31/09 @ Five-Year Average Escalation Rates</u>	<u>Change</u>
Gross Construction	\$6,244,160	\$6,299,533	(\$55,373)
Less: AFUDC	\$329,357	\$333,291	(\$3,934)
Total Project Cash Flow	\$5,914,803	\$5,966,242	(\$51,439)
Less: Escalation	\$1,380,056	\$1,431,495	(\$51,439)
Capital Cost, 2007 Dollars	\$4,534,747	\$4,534,747	0

Chart B compares the current forecast of gross construction costs, including escalation and AFLTIC, to the forecast presented by the Company in Docket 2009-293-E. This chart shows that, while the cost of the plant in 2007 dollars remains at the approved \$4.5 billion level, the gross construction cost including escalation and AFLTIC is \$631 million below the revised schedule forecast. The reduction in the construction cost forecast is due to the changes in forecasted escalation rates when netted against other changes as discussed more fully below.

Chart B: Reconciliation of Capital Cost (\$000)

<u>Forecast Item</u>	<u>Projected @ 03/31/10 (Five-Year Average Rates)</u>	<u>As Forecasted Or Approved In Order 2010-12</u>	<u>Change</u>
Gross Construction	\$6,244,160	\$6,875,315	(\$631,155)
Less: AFUDC	\$329,357	\$315,739	\$13,618
Total Project Cash Flow	\$5,914,803	\$6,559,576	(\$644,773)
Less: Escalation	\$1,380,056	\$2,024,829	(\$644,773)
Capital Cost, 2007 Dollars	\$4,534,747	\$4,534,747	\$0

E. Escalation Rates

As provided in Order No. 2009-104A, the most current 12-month inflation indices are used to escalate costs occurring in the 12 month period after the date of each quarterly report. Five-year average rates are used to project costs more than 12 months beyond the date of each report. As a result, with each quarterly filing, the costs for one quarter shift from being forecasted using the five-year indices to being forecasted using the 12-month indices. This results in a change in forecasted escalation even in quarters where new escalation indices have been issued. As stated above, new escalation indices were issued in May 2010 for the period July-December 2009 and those rates are reflected in this report.

As shown on Appendix 4, utility construction cost escalation rates were at historically high levels during the period 2005-2008, and since then have begun to drop. Current escalation rates are at historical lows. However, the current five-year averages are now closer to historical rates than they were in certain past periods. Current escalation rates are shown on Chart C, below.

Chart C: Handy-Whitman Escalation Rates

<u>January 2010 Update</u>	
	Escalation Rate
<u>HW All Steam Index:</u>	
One year rate	-1.29%
Five Year Average	5.21%
Ten Year Average	4.32%
<u>HW All Steam/Nuclear Index:</u>	
One year rate	-1.11%
Five Year Average	5.26%
Ten Year Average	4.34%
<u>HW All Transmission Plant Index</u>	
One year rate	-4.14%
Five Year Average	5.74%
Ten Year Average	4.63%

For supplemental analysis purposes, the Company has recomputed project cash flow, net of AFLTD, using both the one-year escalation rates and ten-year escalation rates. As shown on Chart D below, the use of the ten-year rates generates results that are much more comparable to the results generated using the five-year rates than was the case in certain past periods. Use of one-year rates over the long-term generates cost projections that remain low compared to historical experience.

Chart D: Reconciliation of Capital Cost (\$000)

<u>Forecast Item</u>	<u>As Forecasted Or Approved In Order 2010- 12</u>	<u>Projected 03/31/10 @ Five-Year Average Escalation Rates</u>	<u>Recomputed Using One- Year Average Escalation Rates</u>	<u>Recomputed Using Ten- Year Average Escalation Rates</u>
Capital Cost, 2007 Dollars	\$4,534,747	\$4,534,747	\$4,534,747	\$4,534,747
Plus: Escalation	\$2,024,829	\$1,380,056	(\$64,386)	\$1,189,702
Total Project Cash Flow	\$6,559,576	\$5,914,803	\$4,470,361	\$5,724,449
<u>Change from Total Project Cash Flow as Forecasted in Order 2010-12</u>	N/A	(\$644,773)	(\$2,089,215)	(\$835,127)

F. Increased AFUDC

The change in AFUDC for the project is currently projected at \$13.6 million compared to the forecast contained in Docket 2009-293-E. Consistent with Order No. 2009-104A, SCE&G computes AFUDC based on the Federal Energy Regulatory Commission ("FERC") approved methodology as applied to the balance of Construction Work in Progress ("CWIP") that is outstanding between rate adjustments. SCE&G's AFUDC rate is currently 7.10% compared to the rate of 5.87% that applied in Docket 2009-293-E. Standing alone, this increase in the AFUDC rate would increase the forecasted amount of AFUDC by \$54.0 million. However, lower escalation rates have reduced the forecasted project cash flows thereby reducing AFUDC by \$40.4 million to produce a \$13.6 million net forecasted increase in AFUDC for the project.

G. Contingency Usage and Availability

As **Chart E** below indicates, \$1.2 million of the total project contingency of \$438 million in 2007 dollars was spent through the close of the current period. As discussed in more detail below, this \$1.2 million reflects additional costs in 2009 and 2010 associated

with Change Order No. 2 for the project and owner's costs. The \$1.2 million in contingency used to date represents approximately 1.5% of the total 2010 contingency pool of \$78.6 million and approximately 0.27% of the total contingency pool for the project of \$438 million.

Chart E: Contingency Usage in 2007 Dollars (\$000)

<u>Item</u>	<u>As of 03/31/2010</u>	<u>As Approved Order 2009-104A</u>	<u>Change</u>
Total Project Contingency	\$438,293	\$438,293	\$ 0
Cumulative Contingency to Date (Col. 1: Actual; Col. 2: Approved, year end)	\$1,152	\$78,628	(\$77,476)
Project Contingency Remaining	\$437,141	\$359,665	\$77,476
Percent of Project Contingency Remaining	99.7%	82.1%	17.6%

As shown in more detail on **Appendix 2, Chart C**, and as discussed below, SCE&G currently forecasts that at the close of 2018 it will have used a cumulative total of \$59.5 million of the \$438 million contingency fund, in current dollars, to cover the increased escalation costs associated with project schedule changes and changes in base costs for the project. Of this \$59.5 million amount, \$58.9 million represents forecasted changes in base costs for the project and the remaining \$0.6 million represents forecasted changes related to escalation as a result of shifts in the timing of expenses. The \$58.9 million in contingency funds currently forecasted to be used to cover increases in base costs of the project represent approximately 1.3% of the total unescalated project cost. This forecasted use of \$58.9 million in contingency funds is \$5.3 million less than the forecast provided as of December 31, 2009 principally due to further refinement in Owner's cost calculations. **Appendix 2, Charts B and C** provide a year-by-year statement of forecasted contingency use and changes in that forecast.

H. Compliance with the Commission Approved Cumulative Project Cash Flow Target

Order No. 2009-104A established the Cumulative Project Cash Flow listed on Exhibit F to the Combined Application as the target for measuring the compliance of the project with the cost-related terms of that order. Order No. 2010-12 updated Exhibit F to conform to the Performance Management Baseline Schedule provided by

Westinghouse/Shaw on April 1, 2009. Order No. 2009-104A provided that the applicable Cumulative Project Cash Flow target would be adjusted with each quarterly report to reflect updated escalation data and any use by the Company of the cost-related contingencies that the Commission approved in Order No. 2009-104A.

Appendix 2, Chart A provides the Cumulative Project Cash Flow target updated for current escalation data. The cash flow targets up to December 31, 2009 have been updated to reflect actual escalation rates up to that date. The cash flow targets for the first quarter of 2010 and beyond have been updated based on the most recently available inflation indices which for purposes of this report are indices provided in May of 2010 that are current through December 31, 2010. When actual indices for the period December 31, 2009 to March 31, 2010 become available, the 2010 cash flow data for the categories that are subject to indexed escalation will be revised to reflect the actual escalation rates.

Appendix 2, Chart B compares the approved Cumulative Project Cash Flow target to the current cumulative cash flow schedules for the project, which include actual costs where available and SCE&G's working forecasts of annual cash flows for future years. In addition, the figures presented on **Appendix 2, Chart B** and **Chart C** for 2009 and 2010 have been adjusted to reflect timing differences between the billing methodology under the EPC Contract and the calculation of the escalated cash flow targets under Order 2009-104A. Under the EPC Contract, for periods where actual escalation rates are not available, Westinghouse/Shaw bills SCE&G based on a rolling 2-year average of the applicable Handy-Whitman rate and provides adjustments in the following period to reflect the actual rate when it is known. An adjustment has been made to **Appendix 2, Chart B** to offset the timing difference related to Westinghouse/Shaw's approach to estimated billings and credits which applies to those EPC cost categories that are subject to indexed escalation. As shown on **Appendix 2, Chart B**, the total amount of the resulting adjustment for 2009 has been updated to \$1.7 million based on actual escalation rates and the adjustment for the first quarter of 2010 is calculated to be \$1.3 million.

Appendix 2, Chart B shows that, due to the effects of timing, the project cash flow in the period 2010-2018 will vary within a range of \$13.2 million above to \$16 million below target in each year. As shown on **Appendix 2, Chart B**, the cumulative use of contingency to cover changes in escalation due to these timing variances is \$1.6 million over the life of the project. In no year does the cumulative use of contingency to cover timing differences exceed \$25.3 million. The current forecast also shows that the total use of contingency to cover both escalation-related costs increases and changes in base cost estimates will be \$59.5 million or 1.3% of the total project commitment.

The projected cash flow figures presented here are in current dollars. The contingency figures are presented in 2007 dollars before escalation.

II. Progress of Construction of the Units

Construction of the project is progressing on schedule to meet the Unit 2 & 3 Substantial Completion dates of April 1, 2016 and January 1, 2019, respectively. A summary of the status of the project is addressed in Section II.A-Section II.G below.

A. Licensing and Permitting Update

1. The Combined Operating License Application (COLA)

The COLA review process continues. The current construction schedule is based on the Nuclear Regulatory Commission (NRC) issuing a Combined Operating License (COL) for the Units no later than July 1, 2011. Westinghouse (WEC) is expected to complete testing of the new design for the Shield Building in May/June 2010 and submit the test report to the NRC in June/July 2010. As mentioned in the prior quarterly report, after the test results are accepted by the NRC, Westinghouse intends to file with the NRC a Design Control Document (DCD) revision, DCD Revision 18. DCD Revision 18 will incorporate all of the responses to NRC questions and all of the updates to design matters that have been requested as part of the COLA review process and that are not part of prior amendments. In light of its assessment of the anticipated schedule for review and approval of DCD Revision 18, SCE&G currently believes that the COL for Units 2 & 3 will be issued in late 2011 or early 2012. This schedule for the issuance of the COL would impact certain aspects of the construction schedule for the Units. However, SCE&G and Westinghouse/Shaw do not believe that a COL issuance date of late 2011 or early 2012 will adversely impact the scheduled Substantial Completion dates of Unit 2 or of Unit 3. SCE&G will continue to carefully monitor and proactively manage this aspect of the COL schedule. As the schedule for the filing and approval of DCD Revision 18 becomes better known, SCE&G and Westinghouse/Shaw will make any required revisions to the construction schedule to reflect the anticipated issuance date of the COL. SCE&G and Westinghouse/Shaw are evaluating steps that could be taken to accelerate construction if necessary and are confident that any delay in the issuance of the COL will not necessarily delay the Substantial Completion dates of the Units. The status of the major COLA review areas is as follows:

a) Nuclear Safety Review

1) The Staff of the NRC has completed its Phase 1 review to support development of the Safety Evaluation Report (SER) for the Units,

which includes the COLA review and issuance of NRC Requests for Additional Information (RAIs) to SCE&G for resolution. During the Phase 2 review, SCE&G will continue to respond to NRC questions that may arise. The Phase 2 review of the SER is intended to result in the development of the SER with no open items.

The NRC continues the SER review of the WEC DCD Revision 17. WEC, SCE&G and the industry are working with the NRC to resolve the open items associated with the NRC approval of DCD Revision 17. On April 3, 2009, the NRC issued a letter on the DCD Revision 17 review and approval schedule. The current NRC schedule shows a December 2010 final SER with an August 2011 final rule making. This final rule making is a prerequisite for the COLA approval and does not support the COLA approval date for the Units defined in the EPC Contract.

Currently, the primary issue related to DCD-17 is the concern with the design of the Reactor Shield Building which includes steel cladding technology to address aircraft impact. On October 15, 2009, the NRC issued documentation to Westinghouse stating that the proposed design of the shield building for the AP1000 plant will require additional analysis and testing or actual design modifications to ensure compliance with NRC requirements. In DCD Revision 17, Westinghouse proposed an improved design for the shield building for which design codes or standards do not exist in the U.S. It is not unusual for the regulator to require more "proof of concept" where the design is ahead of corresponding codes. WEC has already begun to address certain portions of NRC's concerns and has assured SCE&G that it has committed the resources necessary to address the NRC's concerns both quickly and definitively. WEC continues to work closely with the NRC to address schedule concerns related to the approval of DCD-17 in light of NRC's issues. WEC has agreed to a series of measures that should accelerate the review schedule or assist in minimizing the impact of any delay on the project schedule. In addition, SCE&G is preparing contingency plans that should allow it to accelerate the construction schedule to absorb a delay in the issuance of a COL if there is any. SCE&G believes that reasonable and feasible means are available to accelerate the schedule if necessary.

As to other issues, substantial progress has been made in resolving the NRC's issues related to the Containment Sump and Piping Design Analysis Criteria (DAC). These are no longer seen as issues affecting the schedule for the approval of DCD-17.

SCE&G is closely monitoring the DCD Revision 17 review process because of its potential impact on the schedule for the review and approval of the COLA for the Units. SCE&G has identified the status of the review and approval of DCD Revision 17 as a focus area for on-going monitoring and attention to

ensure that WEC does what is required to obtain the necessary approvals on a timely basis.

b) Environmental Review (ER)

In July 2009, the NRC completed the Phase I scoping of the Environmental Impact Statement (EIS) for the Units. All ER RAIs and follow-up questions have been answered. The NRC issued the draft EIS on April 15, 2010, subsequent to this reporting period. The Final EIS is scheduled to be issued in February 2011. This schedule supports the timely issuance of a COL for the Units.

c) Legal Review

As noted previously, several parties sought to intervene to raise issues before the Atomic Safety Licensing Board (ASLB) in its review of SCE&G's COLA. Under NRC Rules, these potential intervenors were required to demonstrate standing and to list their specific contentions in opposition to the COLA. To be admitted, contentions must meet relevance and factual support standards. On February 18, 2009, the ASLB dismissed all potential intervenors either because their contentions were deemed not to be admissible, or because they lacked standing. The intervenors appealed the ASLB decision to the NRC.

On January 7, 2010, the NRC issued a ruling that affirmed the ASLB's decision except as to two matters: First, the NRC granted standing to the Friends of the Earth which had been denied. Second, the NRC required the ASLB to review on a factual basis the intervenors' contention related to Demand Side Management (DSM) programs. (DSM programs are programs that promote energy efficiency and load management within the Company's customer groups.) The intervenors contended that SCE&G had undervalued the contribution that DSM programs could make to reduce the need for power from the Units.

In rejecting the intervenors' DSM challenge, the ASLB had relied on a 2005 NRC decision holding that DSM matters were not relevant to the need for power determination in nuclear licensing. In its January 7, 2010 decision, the NRC ruled that the 2005 decision should not have been relied upon as the sole basis for disallowing the DSM contention because the applicant in the earlier case was the owner/operator of a merchant plant with no means for undertaking any meaningful DSM programs. As a result, in this proceeding the NRC directed the ASLB to reconsider the intervenors' DSM contention on the facts. The NRC did not express any view on the merits of the intervenors' DSM contentions or on the factual record before the ASLB regarding DSM. The NRC also ruled that if the ASLB decided that the DSM contention should be admitted and litigated, elements

of two other related contentions should also be reviewed for potential admission, based on the admission of the DSM contention.

On March 17, 2010, the ASLB considered the merits of the intervenors' DSM contentions and issued an order rejecting all contentions of the intervenors. The intervenors have appealed the ASLB order on remand to the NRC. On April 5, 2010, SCE&G filed an opposing brief to the NRC.

2. Other Permits

a) DHEC Storm Water Permits

South Carolina Department of Health and Environmental Control (SCDHEC) approved modifications of the Phase 4 Storm Water Pollution Prevention Permit (SWPPP) to accommodate layout changes to the Switchyard and the Construction Permit for the construction of two (2) concrete batch plants.

b) Corps of Engineers Wetlands Permit

SCE&G continues to interface with the Army Corps of Engineers (ACOE) on the ACOE 404 (wetlands) permit and submitted the draft permit during the 1st Quarter 2010. The permit application was noticed for public comment in April 2010. The ACOE has taken the position that it will not issue a wetlands permit, to include a phased permitting approach, prior to the NRC issuance of the Final EIS. To comply with the ACOE position, Westinghouse/Shaw is finalizing a work-around plan that will not disturb the wetlands in the Cooling Tower area until the Final EIS is approved and the required wetlands permit is issued. This plan will be technically feasible and will allow construction to proceed within the applicable milestone schedule and financial contingencies.

3. Appeals of Order No. 2009-104A

In May 2009, two intervenors appealed the Commission's Order No. 2009-104A to the South Carolina Supreme Court. The oral arguments in the appeals brought by Friends of the Earth and the South Carolina Energy Users Committee were held on March 4 and April 6, 2010 (subsequent to this reporting period), respectively. On April 26, 2010, subsequent to this reporting period, the South Carolina Supreme Court, affirmed the Base Load Review Order issued by the Commission in the appeal initiated by Friends of the Earth. Friends of the Earth had 15 days to file a rehearing petition and no petition for rehearing was filed. The South Carolina Supreme Court has not yet issued an opinion in the South Carolina Energy Users Committee's appeal.

B. Engineering Update

1. Engineering Completion Status

a) The Engineering Completion Status based on the completion percentage for major plant categories is as follows:

- 1) Standard Plant Design – 84.0% complete
- 2) Site Specific Design – 53.0% complete
- 3) Total Design – 76.7% complete

b) To date, the Engineering Completion Status as reported above reflects the work necessary to bring the design outputs to a point where they are sufficient to support procurement, and construction planning. The project team is measuring the percentage of engineering work related to standard plant design items that have resulted in drawings that are ready for construction. Ready for construction drawings are being prepared for site specific work. The completion of the first ready for construction standard plant drawings are at least a year away. These anticipated dates fully support the construction schedule.

2. Standard Plant Design Activities

During the reporting period, the following standard plant design activities were conducted:

a) Squib Valve prototype testing has resumed after modifications to improve the absorbance of shock loading resulting from valve actuation. The first test of the modified prototype was successfully completed on February 19, 2010. Testing will continue with the completion of testing projected in May 2010. There remains no known adverse impact on the project schedule for Units 2 and 3 from this activity.

b) During the testing of the Reactor Cooling Pump (RCP) for the China AP1000 projects, the RCP exhibited a problem during coast down from full speed. Several indications were discovered that warranted a root cause analysis which was performed by WEC and the manufacturer, EMD. Detailed plans have been formulated for material changes, design changes for internal components and additional developmental testing. Preparations are underway for the second diagnostic test in May 2010. The corrective action effort and final testing are expected to be completed within the original test schedule. There is no known

adverse impact on the project schedule for Units 2 and 3 from this activity. This is a focus area.

c) WEC maintains a system to track the design finalization schedule for major engineering categories and to flag items where design finalization is below WEC expectations related to support of the China AP1000 projects. Currently, WEC has identified several below-expectation items or areas related to activities in the categories of Shield Building, Piping, and Shaw and Toshiba equipment systems. The areas that have improved since the fourth quarter of 2009 are Instrumentation and Controls, and Procedures. WEC has provided to SCE&G an explanation and recovery plan for each of the below expectation items. No adverse impacts on the Units' Substantial Completion dates are anticipated from these items at this time. However, this is a focus area and will be monitored closely by SCE&G.

3. Site Specific Design Activities

a) Shaw Engineering continues to perform Site Specific Design work to support the permitting and licensing activities. Geotechnical evaluations continue. This work is proceeding in a satisfactory manner.

b) Design continues for Site Specific Systems, to include the Circulating Water System, Potable Water System, Raw Water System, and the Storm Water System, Communication Systems and the Switchyard. This work is proceeding in a satisfactory manner.

c) The engineering work for the Heavy Lift Derrick and nuclear power block excavation plan is essentially complete. Commercial issues associated with the Heavy Lift Derrick are in the process of being addressed between the Consortium and SCE&G. The use of the Heavy Lift Derrick remains a focus area.

C. Procurement/Fabrication Update

1. The start up of the Shaw Modular Solutions (SMS) facility in Lake Charles, LA has experienced delays in the start of fabrication of structural modules due primarily to implementation of the Quality Assurance plan and delays in receiving the WEC design packages for the modules it will construct. SMS and WEC are addressing these issues and plan to begin the module fabrication the first part of May 2010 which will support the overall project schedule. On April 6, 2010, subsequent to this reporting period, SCE&G and the Consortium senior management visited the SMS facility and reviewed the module fabrication status.

2. Doosan is experiencing delays in the fabrication of the Reactor Vessel for Unit 2. After a comprehensive review, Doosan determined that the delays resulted primarily from Doosan's scheduling of manufacturing process and the failure to optimize it. The Doosan recovery plan includes an optimization of the fabrication process with emphasis on the welding sequence. Also, Doosan has agreed to give first priority to the AP1000 project where there are conflicts with domestic South Korean projects. Doosan is also holding daily "tool box meetings" for the fabrication of the Reactor Vessel components and re-evaluating the Reactor Vessel nozzle welding program for its subcontractor PCI. In addition, Doosan has implemented a Total Operational Excellence program and has challenged the Doosan project management team to closely monitor the manufacturing process. The "Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion – Unit 2" is a BLRA milestone and is +6 months behind the reset milestone date. This delay does not appear to adversely impact the receipt of the Unit 2 Reactor Vessel on site (BLRA milestone 13-2Q-6).

Subsequent to this reporting period, and consistent with its quality assurance plan, Doosan reported that inspections had discovered a crack in the forging for the Unit 2 2B Steam Generator channel head. This forging is being scrapped and a cause and corrective action review is in process. Also, the schedule impact is being assessed, although there is no apparent impact on the next associated milestone, which is the milestone for Contractor Acceptance of the Steam Generator Equipment at the Port of Entry (BLRA milestone 13-2Q-2). The SCE&G NND Engineering Manager and NND QA representative visited the Doosan shop in South Korea during the week of April 26, 2010, subsequent to this reporting period, to review this issue. This is a focus area.

3. All hollow forgings were completed for the Unit 2 Reactor Coolant System (RCS) Reactor Coolant Loop (RCL) Piping hot legs. This work is being performed by IBF, a subcontractor to Tioga. Both companies are located in Italy. Subsequent to the hollow forging, and consistent with its quality assurance plan, IBF discovered that the grain size for the 2B RCL hot leg pipe was unacceptable. This forging was scrapped and a new forging is planned for May 2010. There is no apparent impact to the shipment of the Unit 2 RCL piping to the site (BLRA milestone 11-4Q-5). This condition occurred subsequent to this reporting period.

4. The fabrication of the remainder major components is generally making progress as planned.

D. Construction Update

1. Saiia Construction continues to work on the Plant Access Road, applying the asphalt base and wear layer.
2. Earthwork activities continue in the areas being excavated for location of the nuclear islands, turbine buildings and other principal buildings for the Units. The piles installation for the soldier wall for the Unit 2 power block is complete, and Shaw has begun the power block excavation. Earth spoils are being removed to the spoils area at approximately 19,300 cubic yards per day. Through the end of the reporting period approximately 2.8 million cubic yards of earth have been excavated.
3. Dane Construction has completed the Mayo Creek Bridge.
4. Morgan Construction continues to perform earthwork grading work in the new Switchyard area.
5. Fitts and Goodwin continues with the erection of Warehouses 20A and 20B.
6. Shaw initiated installation of the Circulating Water Pipe with 361 pipe sections or 60% of the total straight run sections for Units 2 and 3 having been installed as of early May 2010. This completion percentage is subsequent to this reporting period.

E. Training Update

1. The initial group of thirteen (13) Reactor Operator Training Instructors will receive reactor operations system training beginning May 3, 2010, with the second group receiving this training in September 2010. The Reactor Operator Training Instructors will receive their reactor operations simulator training in 2011 and 2012.
2. The renovation of the VCS Unit 1 Nuclear Learning Center (NLC) continues in order to house the AP1000 reactor operator training simulators. The current training facility at the NLC is being expanded to accommodate the two limited scope simulators for Units 2 and 3 that will arrive onsite in 2012.

F. Change Control/Owners Cost Forecast Update

1. Contract Amendment #1 continues to be processed to revise the language in several areas of the EPC Contract. These revisions represent updates to the EPC Contract, such as contract language clarifications in the sections relating to Changes in the Work, changes made to the Major Equipment Supplier and Contractor exhibits and changes in the milestone payment schedules due to the Performance Management Baseline Schedule received on April 1, 2009. There are no changes in forecasted costs related to this item.

2. SCE&G continues to update its forecast of Owner's Costs to reflect increases in the anticipated costs of project oversight and operations staffing, licensing and other items. These changes involve forecasted costs only. SCE&G will continue to review and update these cost projections. The most recent updates have resulted in reduction in the forecast of Owner's Costs.

3. Change Order No. 1 for the training of the Reactor Operator Training Instructors by WEC is being revised to accommodate agreed upon schedule changes for the training that will allow time for improvements to the WEC training simulator software. WEC and SCE&G have agreed to document this change via a new Change Order No. 5 replacing Change Order No. 1. This will result in an increased cost to SCE&G to be covered by the Time & Material allocation as part of the EPC Contract. There will be no increase to the EPC Contract price or use of contingency.

4. Change Order No. 3 for the Parr Road rehabilitation was approved by SCE&G during this quarter. This change order increased the EPC Contract price and will be paid for using the Owner's Cost contingency.

5. Change Order No. 4 for the transfer of the module fabrication and Site assembly scope of work from WEC to Shaw is being reviewed by SCE&G. This change order is a "no cost" change order and will not change the EPC Contract price.

6. The change in cash flow forecast related to all change orders to date and changes in Owner's Costs is forecast to be \$58.9 million in 2007 dollars, the largest component of which is the change in Owner's Cost. The \$58.9 million cost change is reflected in the cash flow projections contained in the exhibits to this Quarterly Report.

G. Transmission Update

1. SCE&G's Power Delivery group continues with the transmission line siting process for determining the precise routes for the new VC Summer Unit 1 – Killian 230kV line, the VC Summer Unit 2 – Lake Murray #2 230kV line, and the VC Summer Unit 3 – St. George #1 and #2 230kV lines. These new lines are needed to connect the Units to the grid.

2. The VC Summer Unit 1- Killian line is being sited in three phases: VCS-Winnsboro, Winnsboro-Blythewood, and Blythewood-Killian. A first public workshop was held on October 29, 2009 to gain public input for the Blythewood-Killian section. A second public workshop was held on March 16, 2010 to receive public comments on proposed alternate routes for this line. A final route is expected to be determined in June 2010. The first public workshop for the Winnsboro-Blythewood section was held on April 15, 2010 with a second workshop expected to be held in June/July 2010. The remaining section (VCS-Winnsboro) will occupy existing right of way and no formal workshops are planned.

3. For the VC Summer Unit 2 – Lake Murray #2 230kV line, SCE&G Power Delivery expects this line route will be constructed entirely within existing rights of way. SCE&G's Power Delivery group has completed an initial inventory survey of one of its existing right of way corridors and is in the process of conducting title searches to determine the quality of and resolve certain encroachments that were discovered. Power Delivery has completed the evaluation of a second corridor as part of the process of analyzing and determining a final route for this line.

4. Power Delivery has completed acquisition of additional land in St. George, South Carolina that will allow for installation of the breaker-and-a-half switchyard configuration needed to connect Unit 3 via two new VC Summer – St. George 230kV lines. SCE&G is investigating the availability of existing rights of way which could minimize the overall siting process for the VC Summer-St. George 230kV lines. A determination with respect to these lines is expected within the next months.

Shaw and Pike Electric continue progress of the 230kV Switchyard design. Completed designs include grounding, foundation, the control house, station service and varying aspects of the system protection relaying. Reviews of these designs were conducted by SCE&G Power Delivery Engineering Department. A 60% Design Review is scheduled for June 2010.

III. Anticipated Construction Schedules

As of the end of the first quarter of 2010, the Company and its contractors remain on schedule to complete all required milestones as adjusted pursuant to the milestone schedule contingencies approved by the Commission in Order No. 2009-104A. Each of those adjustments is itemized in the Milestone Update section that follows. Accordingly, the project is in compliance with the construction schedules approved by the Commission in Order No. 2010-12 and with the provisions of S.C. Code Ann. § 58-33-275(A)(1).

A. Construction Schedule Update

The Project Licensing and Permitting, Engineering, Procurement and Construction work remains on schedule to meet the Units 2 & 3 Substantial Completion dates. Rescheduling of the milestones is addressed in Section III.B herein. The rescheduling of these milestones is within the approved contingencies and has no adverse impact on the Units' Substantial Completion dates.

B. Milestone Update

Attached as **Appendix 1** to this quarterly report is a spreadsheet that lists and updates each of the specific milestones constituting the anticipated construction schedule for the Units pursuant to S.C. Code Ann. § 58-33-270(B)(1) and Order No. 2010-12. Comparing the milestone dates in this quarter to the reset milestone dates in Order No. 2010-12, 33 milestones have been advanced and 15 have been delayed. All milestone adjustments are within the scope of the milestone schedule contingency authorized by the Commission in Order No. 2009-104A. The milestone adjustments do not adversely affect the Substantial Completion dates for Units 2 and 3.

IV. Schedules of the Capital Costs Incurred Including Updates to the Information Required by S.C. Code Ann. § 58-33-270(B)(6) (the Inflation Indices)

The Capital Cost Update section of this report provides an update of the cumulative capital costs incurred and forecasted to be incurred in completing the project. These costs are compared to the cumulative capital cost targets approved by the Commission in Order No. 2010-12. The approved capital cost targets have been adjusted to reflect the currently reported historical escalation rates, and any use by the Company of the cost and timing contingencies that were approved by the Commission in Order No. 2009-104A. The Inflation Adjustments and Indices section of this report provides updated information on inflation indices and the changes in them.

A. Capital Costs Update

When adjusted for escalation, the year-end 2010 Cumulative Project Cash Flow as approved in Order No. 2010-12 is \$939.0 million. The current forecast of the Revised Cumulative Project Cash Flow, as of December 31, 2010, shows that SCE&G will have spent \$936.5 on the project by that date. This amount includes the forecasted commitment of \$5.2 million in contingency funds in 2010 and the commitment of \$1.1 million of contingency funds during past periods. It also includes uncommitted contingency funds of \$72.3 million which would be available to be carried forward into 2011.

The forecasted expenditure for the project in 2010 exclusive of AFUDC is \$473.9 million. As shown on **Appendix 2, Chart B, line 30**, the cumulative amount to be spent on the project as of December 31, 2010 is forecasted to be approximately \$5.5 million less than the Cumulative Project Cash Flow approved by the Commission for year-end 2010 as adjusted for inflation and Westinghouse/Shaw billing differences. The \$5.5 million difference in Cumulative Project Cash Flow as compared to target represents timing differences and not changes in underlying costs. The Company expects that the forecasted base capital costs not incurred in 2010 will be incurred in future periods under the current construction schedule, and those costs have been included in the cash flow projections contained in **Exhibit 2** for future years.

Chart A of Appendix 2 shows the Cumulative Project Cash Flow target as approved in Order No. 2010-12 and as updated for escalation and other Commission approved adjustments under the heading “**Per Order No. 2010-12 Adjusted.**” As shown there, SCE&G has carried forward into 2010 \$36.8 million in unused contingency funds from 2009 as permitted by the Commission in Order No. 2009-104A. SCE&G has not used the capital cost schedule contingencies to make any adjustments to the approved Cumulative Project Cash Flow as set forth in this filing because the project conforms to approved project cost targets without such adjustments. Nonetheless, SCE&G does not intend to waive or in any way limit its right, as authorized by the Commission, to make appropriate capital cost contingency adjustments associated with past or future changes in cost scheduling. SCE&G may make capital cost contingency adjustments related to such changes in its scheduling of capital costs in future filings.

Appendix 2, Chart A, shows the cumulative cash flow for the project based on actual expenditures to date and the Company’s current forecast of cost and construction schedule under the heading “**Actual Through March 2010, plus Projected.**” A comparison of the two sets of data is presented at **Appendix 2, Chart B**. **Appendix 2, Chart C**, shows that SCE&G anticipates that it will have more than sufficient contingency funds available to absorb the full amount of the forecasted cash flow differences and will retain substantial contingency funds for other uses. In addition, SCE&G forecasts that it will have budget surpluses sufficient to restore funds to the

contingency pool in 2014, 2017 and 2018. As a result, SCE&G forecasts that it will have \$379 million in uncommitted contingency funds at the end of the project.

The information presented in **Appendix 2** establishes that the anticipated cumulative project cash flow for the period ending December 31, 2010, is in conformity with the schedule approved by the Commission in Order No. 2010-12 and with the provisions of S.C. Code Ann. § 58-33-275(A)(1). It also establishes that the Company's best forecasts of future project costs are fully consistent with the Cumulative Project Cash Flows approved by the Commission in Order No. 2010-12.

For comparison purposes, **Appendix 3** sets out the cash flow schedule for the project exactly as it was approved in Order No. 2010-12, without change or updating. **Appendix 3** does not include any adjustments to the cash flow schedule for changes in inflation indices or adjustments in capital cost schedules made by the Company. The AFUDC forecast presented on **Appendix 3** is the AFUDC forecast that was current at the time of Order No. 2010-12 which has not been updated for changes in AFUDC rates or other factors.

B. Inflation Indices Update

Appendix 4 shows the updated inflation indices approved in Order No. 2009-104A. Included is a history of the annual Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index for the past 10 years. The changes in these indices and the escalation-related effects of cost rescheduling resulted in a decrease in the projected cost of the Units in future dollars from \$6.9 billion as forecast in Order No. 2010-12 to a forecast of \$6.2 billion using current inflation data and the current AFUDC rate. The \$4.5 billion forecast of the cost of the Units in 2007 dollars, net of AFUDC, remains unchanged.

V. Updated Schedule of Anticipated Capital Costs

The updated schedule of anticipated capital costs for Units 2 & 3 is reflected in **Appendix 2, Chart A**.

VI. Conclusion

As indicated above, the project is proceeding in compliance with the cost and schedule forecasts approved by the Commission in Order No. 2010-12. The scheduled completion dates for Units 2 & 3 remain April 1, 2016 and January 1, 2019, respectively. The Units are on track to be completed within the projected cost of \$4.5 billion in 2007 dollars net of AFUDC. The Company maintains an extensive staff of experts that

monitors and oversees the work of its contractors and has identified and continues to monitor closely all areas of concerns related to either cost or schedule for the project. The Company will continue to update the Commission and ORS of progress and concerns as the project proceeds.

APPENDIX 1

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104A**

Quarter Ending March 31, 2010

Appendix 1 lists and updates each of the milestones which the Commission adopted as the Approved Construction Schedule for the Units, pursuant to S.C. Code Ann. § 58-33-270(B)(1) in Order No. 2010-12. **Appendix 1** provides columns with the following information:

1. Milestone tracking ID number.
2. The description of the milestone as updated in Order No. 2010-12.
3. The BLRA milestone date by year and quarter as approved by the Commission in Order No. 2010-12 (Reset Milestone Date).
4. The current milestone date, both by year and quarter and the specific calendar date for the milestone.
5. For each actual completed milestone, the date by which it was completed. For completed milestones, the milestone entry is shaded in gray.
6. Information showing the number of months, if any, by which a milestone has been shifted.
7. Information as to whether any milestone has been shifted outside of the 18/24 Month Contingency approved by the Commission.
8. Information as to whether any current change in this milestone is anticipated to impact the substantial completion date.
9. Notes.
10. On the final page of the document, there is a chart summarizing milestone completion and movement comparing the current or actual milestone date to the Reset Milestone Date. This movement is shown for only the milestones that have not been completed.

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2019 Targeted Milestone Completion Date	Actual Completion Date	Days Months from Reset Milestone Date	Outside 181-24 Month Contingency?	Substantial Completion Date Complete?	Notes
1	08-2Q-1 Approve Engineering, Procurement and Construction Agreement	11/23/2008		11/23/2008		No	No	
2	08-2Q-2 Issue P.O.'s to nuclear component fabricators for Units 2 and 3 Containment Vessels	11/23/2008		11/23/2008		No	No	
3	08-2Q-2 Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator • First Payment - Unit 2	11/31/2008		11/18/2008		No	No	
4	08-2Q-2 Contractor Issue PO to Accumulator Tank Fabricator - Unit 2	7/31/2008		7/31/2008		No	No	
5	08-2Q-2 Contractor Issue PO to Core Makeup Tank Fabricator - Units 2 & 3	9/30/2008		9/30/2008		No	No	
6	08-2Q-2 Contractor Issue PO to Squib Valve Fabricator - Units 2 & 3	11/31/2009		11/31/2009		No	No	

Color Legend: = Completed = Pending (in 1Q:1Q) = Movement in Days Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
7	08-2Q-2 Contractor Issue PO to Steam Generator Fabricator - Units 2 & 3	6/30/2008		5/29/2008		No	No	
8	08-2Q-2 Contractor Issue Long Lead Material PO to Reactor Coolant Pump Fabricator - Units 2 & 3	6/30/2008		6/30/2008		No	No	
9	08-2Q-2 Contractor Issue PO to Pressurizer Fabricator - Units 2 & 3	8/31/2008		8/18/2008		No	No	
10	08-2Q-2 Contractor Issue PO to Reactor Coolant Loop Pipe Fabricator - First Payment - Units 2 & 3	6/30/2008		6/20/2008		No	No	
11	08-2Q-2 Reactor Vessel Internals - Issue Long Lead Material PO to Fabricator - Units 2 and 3	11/21/2008		11/21/2008		No	No	
12	08-2Q-2 Contractor Issue Long Lead Material PO to Reactor Vessel Fabricator - Units 2 & 3	6/30/2008		5/29/2008		No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
13	08-2Q-2 Contractor Issue PO to Integrated Head Package Fabricator - Units 2 & 3	7/31/2009		7/31/2009		No	No	
14	08-2Q-2 Control Rod Drive Mechanism Issue PO for Long Lead Material to Fabricator - Units 2 and 3 - first payment	6/21/2008		6/21/2008		No	No	
15	08-2Q-2 Issue P.O.'s to nuclear component fabricators for Nuclear Island structural CA20 Modules	7/31/2009		8/28/2009		No	No	
16	08-3Q-1 Start Site Specific and balance of plant detailed design	9/11/2007		9/11/2007		No	No	
17	08-3Q-2 Instrumentation & Control Simulator - Contractor Place Notice to Proceed - Units 2 & 3	10/31/2008		10/31/2008		No	No	
18	08-3Q-3 Steam Generator - Issue Final PO to Fabricator for Units 2 and 3	6/30/2008		6/30/2008		No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1 VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
19	08-3Q-3 Reactor Vessel Internals - Contractor Issue PO for Long Lead Material (Heavy Plate and Heavy Forgings) to Fabricator - Units 2 & 3	1/31/2010		1/29/2010		No	No	Due to Schedule Refinement and Review.
20	08-3Q-3 Contractor Issue Final PO to Reactor Vessel Fabricator - Units 2 & 3	9/30/2008		9/30/2008		No	No	
21	08-3Q-4 Variable Frequency Drive Fabricator Issue Transformer PO - Units 2 & 3	4/30/2009		4/30/2009		No	No	
22	08-4Q-1 Start clearing, grubbing and grading	1/26/2009		1/26/2009		No	No	
23	08-4Q-2 Core Makeup Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	
24	08-4Q-2 Accumulator Tank Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	
25	08-4Q-2 Pressurizer Fabricator Issue Long Lead Material PO - Units 2 & 3	10/31/2008		10/31/2008		No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
26	08-4Q-2 Reactor Coolant Loop Pipe - Contractor Issue PO to Fabricator - Second Payment - Units 2 & 3	11/30/2009		11/30/2009		No	No	
27	08-4Q-2 Integrated Head Package - Issue PO to Fabricator - Units 2 and 3 - second payment	11/31/2009		11/31/2009		No	No	
28	08-4Q-2 Control Rod Drive Mechanisms - Contractor Issue PO for Long Lead Material to Fabricator - Units 2 & 3	6/30/2008		6/30/2008		No	No	
29	08-4Q-2 Contractor Issue PO to Passive Residual Heat Removal Heat Exchanger Fabricator - Second Payment - Units 2 & 3	11/31/2008		11/31/2008		No	No	
30	09-1Q-1 Start Parr Road intersection work.	12/13/2009		12/13/2009		No	No	
31	09-1Q-2 Reactor Coolant Pump - Issue Final PO to Fabricator - Units 2 and 3	6/30/2008		6/30/2008		No	No	
32	09-1Q-3 Integrated Heat Packages Fabricator Issue Long Lead Material PO - Units 2 & 3	11/31/2009		11/11/2009		No	No	

Legend: **RI** = ("RI") = Released in 10-1Q **CI** = Movement in Days Only

Appendix 1 VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
33	09-1Q-4 Design Finalization Payment 3	1/31/2009		1/30/2009		No	No	
34	09-2Q-1 Start site development	6/23/2008		6/23/2008		No	No	
35	09-2Q-2 Contractor Issue PO to Turbine Generator Fabricator - Units 2 & 3	2/28/2009		2/19/2009		No	No	
36	09-2Q-2 Contractor Issue PO to Main Transformers Fabricator - Units 2 & 3	10/30/2009		10/25/2009		No	No	
37	09-2Q-3 Core Makeup Tank Fabricator Notice to Contractor Receipt of Long Lead Material - Units 2 & 3	10-4Q 11/30/2010	10-3Q 7/31/2010		-4 Months	No	No	Schedule ahead of plan.
38	09-2Q-4 Design Finalization Payment 4	4/30/2009		4/30/2009		No	No	
39	09-3Q-1 Turbine Generator Fabricator Issue PO for Condenser Material - Unit 2	8/31/2009		8/28/2009		No	No	
40	09-3Q-2 Reactor Coolant Pump Fabricator Issue Long Lead Material Lot 2 - Units 2 & 3	11/30/2009		11/30/2009		No	No	

Color Legend: = Completed = Incomplete (Milestone ID) = Milestone ID (overdue)

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
41	09-3Q-2 Passive Residual Heat Removal Heat Exchanger Fabricator Receipt of Long Lead Material - Units 2 & 3	10-2Q 5/31/2010	10-2Q 5/31/2010			No	No	
42	09-3Q-3 Design Finalization Payment 5	7/31/2009		7/31/2009		No	No	
43	09-4Q-1 Start erection of construction buildings, to include craft facilities for personnel, tools, equipment; first aid facilities; field offices for site management and support personnel; temporary warehouses; and construction hiring office.	10/9/2009		12/18/2009		No	No	
44	09-4Q-2 Reactor Vessel Fabricator Notice to Contractor of Receipt of Flange Nozzle Shell Forging - Unit 2	7/31/2009		8/28/2009		No	No	
45	09-4Q-3 Design Finalization Payment 6	10/31/2009		10/7/2009		No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
46	09-4Q-4 Instrumentation and Control Simulator - Contractor Issue PO to Subcontractor for Radiation Monitor System - Units 2 & 3	12/31/2009		12/17/2009		No	No	
47	10-1Q-1 Reactor Vessel Internals - Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q 6/30/2011	11-1Q 2/28/2011		-4 Months	No	No	Schedule ahead of plan.
48	10-1Q-2 Turbine Generator Fabricator Issue PO for Moisture Separator Reheater/Feedwater Heater Material - Unit 2	10-2Q 4/30/2010	10-2Q 4/30/2010			No	No	
49	10-1Q-3 Reactor Coolant Loop Pipe Fabricator Acceptance of Raw Material - Unit 2	4/30/2010		2/18/2010		No	No	Milestone completed ahead of plan.
50	10-2Q-1 Reactor Vessel Internals - Fabricator Start Weld Neutron Shield Spacer Pads to Assembly - Unit 2	11-4Q 10/31/2011	11-4Q 10/31/2011			No	No	
51	10-2Q-2 Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 2	6/30/2009		6/30/2009		No	No	

Color Legend: = Completed = Completed in 10-1Q = Delayed in Days (H)

Appendix 1 VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
52	10-2Q-3 Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 2	10-4Q 11/30/2010	10-4Q 10/31/2010		-1 Month	No	No	Schedule ahead of plan.
53	10-3Q-1 Start excavation and foundation work for the standard plant for Unit 2	3/15/2010		3/15/2010		No	No	Milestone complete. On schedule.
54	10-3Q-2 Steam Generator Fabricator Notice to Contractor of Receipt of 2nd Steam Generator Tubesheet Forging - Unit 2	10-1Q 2/28/2010	10-2Q 4/30/2010		+2 Months	No	No	Schedule delay at supplier.
55	10-3Q-3 Reactor Vessel Fabricator Notice to Contractor of Outlet Nozzle Welding to Flange Nozzle Shell Completion - Unit 2	10-1Q 2/28/2010	10-3Q 8/31/2010		+6 Months	No	No	Schedule delay at supplier.
56	10-3Q-4 Turbine Generator Fabricator Notice to Contractor Condenser Fabrication Started - Unit 2	10-2Q 5/31/2010	10-2Q 5/31/2010			No	No	
57	10-4Q-1 Complete preparations for receiving the first module on site for Unit 2.	10-1Q 10/18/2010		1/22/2010		No	No	Module Laydown Yard Area 1 Complete ahead of schedule.

Legend: = Completed = Completed in 1st Quarter = Movement in Progress Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
58	10-4Q-2 Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Transition Cone Forging - Unit 2	10-2Q 4/30/2010	10-2Q 4/30/2010			No	No	
59	10-4Q-3 Reactor Coolant Pump Fabricator Notice to Contractor of Manufacturing of Casing Completion - Unit 2	10-4Q 11/30/2010	10-4Q 11/30/2010			No	No	
60	10-4Q-4 Reactor Coolant Loop Pipe Fabricator Notice to Contractor of Machining, Heat Treating & Non-Destructive Testing Completion - Unit 2	10-4Q 12/31/2010	11-1Q 2/28/2011		+2 Months	No	No	Schedule delay at supplier.
61	11-1Q-1 Core Makeup Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydratest - Unit 2	11-2Q 5/31/2011	11-2Q 5/31/2011			Na	No	
62	11-1Q-2 Polar Crane Fabricator Issue PO for Main Holst Drum and Wire Rope - Units 2 & 3	11-1Q 2/28/2011	11-1Q 2/28/2011			Na	No	
63	11-2Q-1 Control Rod Drive Mechanisms - Fabricator to Start Procurement of Long Lead Material - Unit 3	11-2Q 6/30/2011	11-2Q 6/30/2011			No	No	

(10-1Q Legend: = Completed = Completed within 10-1Q = Movement to 10-1Q Only

Appendix 1 VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
64	11-2Q-2 Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 2	11-4Q 10/31/2011	11-4Q 10/31/2011			No	No	
65	11-3Q-1 Start placement of mud mat for Unit 2	11-3Q 7/14/2011	11-3Q 7/21/2011			No	No	Due to Schedule Rework and Status.
66	11-3Q-2 Steam Generator Fabricator Notice to Contractor of Receipt of 1st Steam Generator Tubing - Unit 2	11-1Q 1/31/2011	11-1Q 2/28/2011		+1 Month	No	No	Schedule delay at supplier.
67	11-3Q-3 Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q 10/31/2010	10-4Q 10/31/2010			No	No	
68	11-3Q-4 Reactor Vessel Fabricator Notice to Contractor of Closure Head Cladding Completion - Unit 3	12-1Q 2/28/2012	12-1Q 2/28/2012			No	No	
69	11-4Q-1 Begin Unit 2 first nuclear concrete placement	11-4Q 10/3/2011	11-4Q 10/3/2011			No	No	
70	11-4Q-2 Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 2	11-3Q 9/30/2011	11-3Q 9/30/2011			No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +/- 24 Month Contingency?	Substantial Completion Date Impact?	Notes
71	11-4Q-3 Fabricator Start Fit and Welding of Core Shroud Assembly - Unit 2	11-2Q 6/30/2011	11-1Q 2/28/2011		-4 Months	No	No	Schedule ahead of plan.
72	11-4Q-4 Steam Generator Fabricator Notice to Contractor of Completion of 1st Steam Generator Tubing Installation - Unit 2	11-2Q 5/31/2011	11-3Q 7/31/2011		+2 Months	No	No	Schedule delay at supplier.
73	11-4Q-5 Reactor Coolant Loop Pipe - Shipment of Equipment to Site - Unit 2	12-4Q 12/31/2012	11-3Q 7/31/2011		-17 Months	Na	No	Schedule ahead of plan.
74	11-4Q-6 Control Rod Drive Mechanism - Ship Remainder of Equipment (Latch Assembly & Rod Travel Housing) to Head Supplier - Unit 2	11-4Q 12/31/2011	11-4Q 12/31/2011			No	No	
75	11-4Q-7 Pressurizer Fabricator Notice to Contractor of Welding of Upper and Intermediate Shells Completion - Unit 2	10-4Q 10/31/2010	10-4Q 10/31/2010			No	No	
76	11-4Q-8 Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 2	11-2Q 6/30/2011	11-3Q 8/31/2011		+2 Months	Na	No	Schedule delay at supplier.
77	11-4Q-9 Design Finalization Payment 14	11-4Q 10/31/2011	11-4Q 10/31/2011			No	No	

Color Legend: = Completed = (50%) Partially Complete = Movement in Days Back

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
78	12-1Q-1 Set module CA04 for Unit 2	12-1Q 1/27/2012	12-1Q 1/27/2012			No	No	
79	12-1Q-2 Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Final Post Weld Heat Treatment - Unit 2	10-2Q 6/30/2010	10-2Q 6/30/2010			Na	Na	
80	12-1Q-3 Passive Residual Heat Removal Heat Exchanger Fabricator Notice to Contractor of Completion of Tubing - Unit 2	11-1Q 1/31/2011	11-1Q 3/31/2011		+2 Months	No	No	Schedule delay at supplier,
81	12-1Q-4 Polar Crane Fabricator Notice to Contractor of Girder Fabrication Completion - Unit 2	12-1Q 2/28/2012*	12-2Q 4/30/2012		+2 Months	Na	No	2 month schedule delay at supplier, "This milestone had an incorrect date of 1/31/11 on the 4th Quarter Report and has been corrected to reflect the correct date of 2/28/12."
82	12-1Q-5 Turbine Generator Fabricator Notice to Contractor Condenser Ready to Ship - Unit 3	11-3Q 8/31/2013	13-3Q 8/31/2013			No	No	

Color Legend: Not Completed Completed in 10/10 Completed in Days 5/10

Appendix 1

VC Summer Units 2 and 3




Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
83	12-2Q-1 Set Containment Vessel ring #1 for Unit 2	12-2Q 4/3/2012	12-2Q 4/5/2012			No	No	Due to Rework of the Standard Plant Schedule.
84	12-2Q-2 Reactor Coolant Pump Fabricator Delivery of Casings to Port of Export - Unit 2	12-1Q 3/31/2012	12-1Q 3/31/2012			No	No	
85	12-2Q-3 Reactor Coolant Pump Fabricator Notice to Contractor of Stator Core Completion - Unit 3	13-3Q 8/31/2013	13-3Q 8/31/2013			No	No	
86	12-2Q-4 Reactor Vessel Fabricator Notice to Contractor of Receipt of Core Shell Forging - Unit 3	12-3Q 9/30/2012	12-3Q 9/30/2012			No	No	
87	12-2Q-5 Contractor Notified that Pressurizer Fabricator Performed Cladding on Bottom Head - Unit 3	13-1Q 1/31/2013	11-4Q 12/31/2011		-13 Months	No	No	Schedule ahead of plan.
88	12-3Q-1 Set Nuclear Island structural module CA03 for Unit 2	12-3Q 8/30/2012	12-3Q 9/4/2012		+1 Month	No	No	Due to Schedule Refinement and Review.

Color Legend: **C** = Completed **W** = Work in Progress **M** = Movement in Progress

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2019 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
89	12-3Q-2 Squib Valve Fabricator Notice to Contractor of Completion of Assembly and Test for Squib Valve Hardware - Unit 2	12-2Q 5/31/2012	12-3Q 8/31/2012		+3 Months	No	No	Schedule delay at supplier.
90	12-3Q-3 Accumulator Tank Fabricator Notice to Contractor of Satisfactory Completion of Hydratest - Unit 3	12-4Q 12/31/2012	12-4Q 12/31/2012			No	No	
91	12-3Q-4 Polar Crane Fabricator Notice to Contractor of Electric Panel Assembly Completion - Unit 2	12-3Q 7/31/2012	12-1Q 1/31/2012		-6 Months	No	No	Schedule ahead of plan.
92	12-4Q-1 Start containment large bore pipe supports for Unit 2	12-2Q 4/9/2012	12-2Q 6/22/2012		+2 Months	No	No	Due to Schedule Refinement and Review.
93	12-4Q-2 Integrated Head Package Shipment of Equipment to Site - Unit 2	12-4Q 10/31/2012	13-1Q 1/31/2013		+3 Months	No	No	Due to Schedule Refinement and Review.
94	12-4Q-3 Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 2	12-4Q 11/30/2012	12-4Q 11/30/2012			No	No	

Color Legend:  = Completed  = Completed in FY10  = Expected in FY11

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
95	12-4Q-4 Steam Generator Fabricator Notice to Contractor of Completion of 2nd Steam Generator Tubing Installation - Unit 3	13-2Q 5/31/2013	13-2Q 4/30/2013		-1 Month	No	No	Schedule ahead of plan.
96	12-4Q-5 Steam Generator Fabricator Notice to Contractor of Satisfactory Completion of 1st Steam Generator Hydrotest - Unit 2	12-2Q 5/31/2012	12-2Q 5/31/2012			No	No	
97	13-1Q-1 Start concrete fill of Nuclear Island structural modules CA01 and CA02 for Unit 2	13-1Q 2/26/2013	13-1Q 2/28/2013			No	No	Due to Rework of the Standard Plant Schedule.
98	13-1Q-2 Passive Residual Heat Removal Heat Exchanger - Delivery of Equipment to Port of Entry - Unit 2	12-2Q 4/30/2012	12-1Q 2/28/2012		-2 Months	No	No	Schedule ahead of plan.
99	13-1Q-3 Refueling Machine Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 2	13-1Q 2/28/2013	12-3Q 8/31/2012		-6 Months	No	No	Schedule ahead of plan.
100	13-1Q-4 Deliver Reactor Vessel Internals to Port of Export - Unit 2	13-3Q 7/31/2013	13-3Q 7/31/2013			No	No	

Color Legend: = Completed = Completed in 10-1Q = Movement in Days Only

Appendix 1 VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
101	13-2Q-1 Set Unit 2 Containment Vessel #3	13-2Q 4/17/2013	13-2Q 4/19/2013			No	No	Due to Rework of the Standard Plant Schedule.
102	13-2Q-2 Steam Generator-- Contractor Acceptance of Equipment at Port of Entry - Unit 2	13-1Q 3/31/2013	13-1Q 1/31/2013		-2 Months	No	No	Schedule ahead of plan.
103	13-2Q-3 Turbine Generator Fabricator Notice to Contractor Turbine Generator Ready to Ship - Unit 2	13-2Q 4/30/2013	13-3Q 7/31/2013		+3 Months	No	No	Schedule delay at supplier.
104	13-2Q-4 Pressurizer Fabricator Notice to Contractor of Satisfactory Completion of Hydrotest - Unit 3	14-1Q 2/28/2014	13-1Q 3/31/2013		-11 Months	No	No	Schedule ahead of plan.
105	13-2Q-5 Polar Crane - Shipment of Equipment to Site - Unit 2	13-2Q 5/31/2013	12-4Q 11/30/2012		-6 Months	No	No	Schedule ahead of plan.
106	13-2Q-6 Receive Unit 2 Reactor Vessel on site from fabricator	13-2Q 5/20/2013	13-2Q 5/24/2013			No	No	Due to Rework of the Standard Plant Schedule.
107	13-3Q-1 Set Unit 2 Reactor Vessel	13-2Q 6/18/2013	13-2Q 6/20/2013			No	No	Due to Rework of the Standard Plant Schedule.

Legend:  = Completed  = Completed in 1Q-4Q  = Movement in 1Q-4Q

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
108	13-3Q-2 Steam Generator Fabricator Notice to Contractor of Completion of 2nd Channel Head to Tubesheet Assembly Welding - Unit 3	13-4Q 12/31/2013	13-4Q 11/30/2013		-1 Month	No	No	Schedule ahead of plan.
109	13-3Q-3 Reactor Coolant Pump Fabricator Notice to Contractor of Final Stator Assembly Completion - Unit 3	14-3Q 8/31/2014	14-3Q 8/31/2014			No	Na	
110	13-3Q-4 Reactor Coolant Pump - Shipment of Equipment to Site (2 Reactor Coolant Pumps) - Unit 2	13-3Q 9/30/2013	13-3Q 9/30/2013			No	No	
111	13-3Q-5 Place first nuclear concrete for Unit 3	13-3Q 8/1/2013	13-3Q 8/2/2013			No	No	Due to Rework of the Standard Plant Schedule.
112	13-4Q-1 Set Unit 2 Steam Generator	13-3Q 9/9/2013	13-3Q 9/11/2013			No	No	Due to Rework of the Standard Plant Schedule.
113	13-4Q-2 Main Transformers Ready to Ship - Unit 2	13-3Q 9/30/2013	13-1Q 2/28/2013		-7 Months	Na	No	Schedule ahead of plan.
114	13-4Q-3 Complete Unit 3 Steam Generator Hydrotest at fabricator	14-1Q 2/28/2014	14-1Q 3/31/2014		+1 Month	Na	No	Schedule delay at supplier.

Color Legend: 13-3Q = Completed 13-3Q = Completed in 10-1Q/ 13-3Q = Movement in 10-1Q

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +/- 24 Month Contingency?	Substantial Completion Date Impact?	Notes
115	13-4Q-4 Set Unit 2 Containment Vessel Bottom Head on basemat legs	11-4Q 11/21/2011	11-4Q 11/21/2011			No	No	
116	14-1Q-1 Set Unit 2 Pressurizer Vessel	14-1Q 1/24/2014	14-1Q 1/28/2014			No	No	Due to Rework of the Standard Plant Schedule.
117	14-1Q-2 Reactor Coolant Pump Fabricator Notice to Contractor of Satisfactory Completion of Factory Acceptance Test - Unit 3	15-1Q 2/28/2015	14-4Q 12/31/2014		-2 Months	No	No	Schedule ahead of plan.
118	14-1Q-3 Deliver Reactor Vessel Internals to Port of Export - Unit 3	15-2Q 6/30/2015	15-2Q 6/30/2015			No	Na	
119	14-1Q-4 Main Transformers Fabricator Issue PA for Material - Unit 3	14-2Q 4/30/2014	13-3Q 8/31/2013		-8 Months	No	No	Schedule ahead of plan.
120	14-2Q-1 Complete welding of Unit 2 Passive Residual Heat Removal System piping	14-1Q 3/19/2014	14-1Q 3/21/2014			No	No	Due to Rework of the Standard Plant Schedule.
121	14-2Q-2 Steam Generator - Contractor Acceptance of Equipment at Port of Entry - Unit 3	15-2Q 4/30/2015	15-1Q 2/28/2015		-2 Months	No	Na	Schedule ahead of plan.

(g.k) Legend: = Completed = Completion in 1Q = Milestone in 1Q

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
122	14-2Q-3 Refueling Machine - Shipment of Equipment to Site - Unit 3	14-2Q 5/31/2014	14-2Q 5/31/2014			Na	Na	
123	14-3Q-1 Set Unit 2 Polar Crane	14-2Q 4/3/2014	14-2Q 4/7/2014			No	No	Due 10 Rework of tile Standard Plant Schedule.
124	14-3Q-2 Reactor Coolant Pumps - Shipment of Equipment to Site - Unit 3	15-2Q 6/30/2015	15-2Q 6/30/2015			Na	No	
125	14-3Q-3 Main Transformers Ready to Ship - Unit 3	14-3Q 9/30/2014	14-3Q 9/30/2014			No	No	
126	14-4Q-1 Spent Fuel Storage Rack- Shipment of Last Rack Module - Unit 3	14-4Q 12/31/2014	14-3Q 8/31/2014		-4 Months	No	No	Schedule ahead of plan.
127	15-1Q-1 Start electrical cable pulling in Unit 2 Auxillary Building	14-4Q 12/26/2014	14-4Q 12/18/2014			No	No	Due to Rework of the Standard Plant Schedule.
128	15-1Q-2 Complete Unit 2 Reactor Coolant System cold hydro	15-3Q 8/3/2015	15-3Q 7/17/2015		1-1 Month	No	No	Due to Rework of the Standard Plant Schedule.
129	15-2Q-1 Activate class 1E DC power in Unit 2 Auxillary Building.	15-1Q 3/5/2015	15-1Q 2/27/2015		1-1 Month	No	Na	Due to Rework of the Standard Plant Schedule.

Legend: [] = Not Started, [] = In Progress, [] = Completed, [] = Contingency, [] = Substantial Completion in Day/Year

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Targeted Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
130	115-30-1 Complete Unit 2 hot functional test,	15-3Q 9/21/2015	15-3Q 8/27/2015		-1 Month	No	No	Due to Rework of the Standard Plant Schedule,
131	15-30-2 Install Unit 3 ring 3 for containment vessel	15-3Q 7/30/2015	15-2Q 4/14/2015		-3 Months	No	No	Due to Rework of the Standard Plant Schedule.
132	115-40-1 Load Unit 2 nuclear fuel	15-4Q 10/28/2015	15-4Q 10/26/2015			No	No	Due to Rework of the Standard Plant Schedule.
133	116-10-1 Unit 2 Substantial Completion	16-2Q 4/1/2016	16-2Q 4/1/2016			No	No	
134	116-20-1 Set Unit 3 Reactor Vessel	15-4Q 10/1/2015	15-2Q 6/15/2015		-4 Months	No	No	Due to Rework of the Standard Plant Schedule,
135	116-30-1 Set Unit 3 Steam Generator #2	15-4Q 12/22/2015	15-3Q 9/2/2015		-3 Months	No	No	Due to Rework of the Standard Plant Schedule,
136	116-40-1 Set Unit 3 Pressurizer Vessel	16-2Q 5/16/2016	16-1Q 1/20/2016		-4 Months	No	No	Due to Rework of the Standard Plant Schedule.
137	16-40-1 Complete welding of Unit 3 Passive Residual Heat Removal System piping	16-2Q 6/20/2016	16-1Q 3/2/2016		-3 Months	No	No	Due to Rework of the Standard Plant Schedule.

Legend: **C=J** = Completed ☐ = Completed on 10-1Q ☐ = Delayed in 10-1Q

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2018 Forecast Milestone Completion Date	Actual Completion Date	Delta Months from Reset Milestone Date	Outside +/- 24 Month Contingency?	Substantial Completion Date/Impact?	Notes
138	17-2Q-1 Set Unit 3 polar crane	16-3Q 7/18/2016	16-1Q 3/29/2016		-4 Months	No	No	Due to Rework of the Standard Plant Schedule.
139	17-3Q-1 Start Unit 3 Shield Building roof slab rebar placement	17-1Q 1/16/2017	16-3Q 9/26/2016		-4 Months	No	No	Due to Rework of the Standard Plant Schedule.
140	17-4Q-1 Start Unit 3 Auxiliary Building electrical cable pulling	17-2Q 4/6/2017	16-4Q 12/11/2016		-4 Months	No	No	Due to Rework of the Standard Plant Schedule.
141	18-1Q-1 Activate Unit 3 Auxiliary Building class 1E DC power	17-2Q 6/9/2017	17-1Q 2/17/2017		-4 Months	No	No	Due to Rework of the Standard Plant Schedule.
142	18-2Q-1 Complete Unit 3 Reactor Coolant System cold hydro	18-1Q 1/1/2018	17-2Q 6/20/2017		-7 Months	No	No	Due to Rework of the Standard Plant Schedule.
143	18-2Q-1 Complete Unit 3 hot functional test	18-1Q 2/15/2018	18-2Q 5/14/2018		+3 Months	No	No	Due to Rework of the Standard Plant Schedule.
144	18-3Q-1 Complete Unit 3 nuclear fuel load	18-2Q 7/31/2018	18-2Q 10/26/2018		-1 Month	No	No	Schedule ahead of plan.
145	18-4Q-1 Begin Unit 3 full power operation	18-1Q 10/31/2018	18-1Q 10/23/2018			No	No	Due to Rework of the Standard Plant Schedule.

Color Legend: = Completed = Completed, < 100% = Improvement in Completion

Appendix 1

VC Summer Units 2 and 3

Tracking ID	Reset Milestone Description	Reset Milestone Date	1st Quarter 2010 Target Milestone Completion Date	Actual Completion Date	Days from Reset Milestone Date	Outside +18/-24 Month Contingency?	Substantial Completion Date Impact?	Notes
146	19-10-1 Unit 3 Substantial Completion	19-10 1/1/2019	19-10 1/1/2019			No	No	
<p align="center">SUMMARY</p> <p align="center">Total Milestones Completed - 48 out of 146 = 33%</p> <p align="center">Milestone Movement - Reset Date vs. 1Q-10:</p> <p align="center">a) Forward Movement - 15 out of 146 = 10%</p> <p align="center">b) Backward Movement - 33 out of 146 = 23%</p> <p align="center">Milestones Within +12 - +17 Month range = 0 out of 146 = 0%</p>								

Color Legend: = Completed = Completed in 1Q-1Q = Milestone in (Days Out)

APPENDIX 2

V. C. Summer Nuclear Station Units 2 & 3

Quarterly Report to the South Carolina Office of Regulatory Staff Submitted by South Carolina Electric & Gas Company Pursuant to Public Service Commission Order No. 2009-104A

Quarter Ending March 31, 2010

Appendix 2, Chart A is an updated and expanded version of the information contained in the capital cost schedule approved by the Commission in Order No. 2010-12. It shows:

1. The actual expenditures on the project by plant cost category through the current period.
2. The changes in capital costs reflecting the Company's current forecast of expenditures on the project for each future period by plant cost category. In updating its cost projections the Company has used the current construction schedule for the project and the Commission-approved inflation indices as set forth in **Appendix 4** to this report.
3. The cumulative Construction Work in Progress for the project and the balance of Construction Work in Progress that is not yet reflected in revised rates.
4. The current rate for calculating AFUDC computed as required under applicable FERC regulations.

The Cumulative Project Cash Flow target as approved in Order No. 2010-12 and as updated for escalation and other Commission-approved adjustments is found under the heading "**Per Order 2010-12 Adjusted.**" The adjustments reflect:

1. Changes in inflation indices.
2. Changes in the timing of capital costs based on the use of the Cost Rescheduling contingencies authorized by the Commission, if any.
3. Budget Carry-forward Adjustments used, where appropriate to track the effect of lower-than-expected cumulative costs on the future cumulative cash flow of the project.
4. Carry forward of unused contingencies from prior years and contingency timing adjustments related to the acceleration of capital costs as authorized by the Commission.

Chart A of Appendix 2 also shows the cumulative cash flow for the project based on actual expenditures to date and the current construction schedule and forecast of year-by-year cost and going forward. This information is found under the heading “**Actual through March 2010, plus Projected.**”

Chart B of Appendix 2 provides a comparison of the adjusted Cumulative Project Cash Flow target for the project with the actual and forecasted cash flow for the project. This section of **Chart B of Appendix 2** also shows the cumulative contingency available to cover any amount by which the actual or forecasted expenditure is greater than the approved target expenditure during any year.

Chart C of Appendix 2 provides a year-by-year schedule of the contingency funds forecasted to be available as well as their actual or anticipated use, and carry forward of unused amounts.

Appendix 2, Chart A

RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Per Order 2010-12 Adjusted	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Annual Project Cash Flow(per order)	6,559,576	21,723	100,905	389,024	500,521	605,164	891,411	962,846	839,011	756,003	596,227	423,986	472,752
Capital Cost Rescheduling Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget Carry-Forward Adjustment	-	-	-	(36,801)	36,801	-	-	-	-	-	-	-	-
Contingency Pool Timing Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Net	6,559,576	21,723	100,905	352,223	537,322	605,164	891,411	962,846	839,011	756,003	596,227	423,986	472,752
Adjusted for Change in Escalation	5,911,229	21,723	100,905	343,289	473,108	560,447	831,241	885,325	757,782	671,899	513,231	361,261	391,019
Cumulative Project Cash Flow(Target)		21,723	122,628	465,918	939,025	1,499,472	2,330,712	3,216,037	3,973,819	4,645,718	5,158,949	5,520,210	5,911,229
Actual through March 2010* plus Projected													
Plant Cost Categories	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fixed with No Adjustment													
Firm with Fixed Adjustment A													
Firm with Fixed Adjustment B													
Firm with Indexed Adjustment													
Actual Craft Wages													
Non-Labor Costs													
Time & Materials													
Owners Costs													
Transmission Projects	308,591	-	26	724	1,333	3,043	4,864	9,947	24,850	37,443	43,451	81,739	101,171
Total Base Project Costs(2007 \$)	4,155,360	21,723	97,386	319,073	395,572	459,681	630,999	630,705	483,620	421,121	301,307	191,205	190,308
Total Project Contingency(2007 \$)	379,387	-	-	-	72,339	42,938	48,633	49,911	49,240	41,685	15,032	27,105	22,504
Total Project Commitment(2007\$)	4,534,747	21,723	97,386	319,073	467,910	502,619	679,632	680,616	532,860	463,400	332,339	218,370	218,812
Total Project Escalation	1,380,056	-	3,519	20,930	5,994	66,487	164,806	213,692	208,943	209,331	181,312	111,701	163,250
Total Revised Project Cash Flow	5,914,803	21,723	100,905	340,003	473,905	569,106	844,438	894,308	741,803	637,711	514,881	300,111	382,062
Cumulative Project Cash Flow(Revised)		21,723	122,629	462,632	936,537	1,505,643	2,350,081	3,244,389	3,986,192	4,658,929	5,172,580	5,532,141	5,910,803
AFUDC(Capitalized Interest)	329,357	645	3,497	10,564	24,128	30,764	42,080	51,451	49,854	41,100	27,013	23,826	24,513
Gross Construction	6,244,160	22,368	104,403	350,567	498,033	599,870	886,518	945,759	791,657	613,151	540,667	363,117	406,575
Construction Work In Process		22,368	126,771	477,338	975,371	1,575,241	2,461,760	3,407,518	4,199,175	4,712,032	5,453,598	5,631,581	6,214,160
CWIP Currently in Rates				264,325									
March 31, 2010 Actual Incremental CWIP Not Currently in Rates				286,780									

*Applicable index escalation rates for Q1 2010 are estimated. Escalation is subject to restatement when actual indices for Q1 2010 are final.

Notes:

Current Period AFUDC rate 11ppb/yr

7.10%

The AFUDC rate applied is the weighted SCE&G rate. AFUDC rates can vary with changes in the weighted rate. SCE&G's weighted rate of capital, construction, and construction work in process, and SCE&G's weighted rate of debt outstanding.

CONFIDENTIAL

Appendix 2, Chart B

RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Annual Project Cash Flow(per order)	6,559,575	21,123	100,905	389,024	500,511	605,164	801,411	912,848	839,011	750,003	696,227	413,060	012,712
Capital Cost Rescheduling Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency Pool Timing Adjustment	-	-	-	(36,806)	36,806	-	-	-	-	-	-	-	-
Not	6,550,575	21,723	100,005	352,218	537,317	605,164	891,411	962,846	839,011	756,003	501,007	411,060	412,752
Project Cash Flow Target	5,911,220	21,723	100,905	343,280	473,108	560,447	831,241	665,325	757,782	611,890	513,231	361,201	301,019
Total Reliance on Project Cash Flow	5,914,802	21,723	100,005	340,003	473,905	569,118	844,138	864,101	741,803	672,737	513,651	360,181	362,062
Comparison of Revised Cash Flow to Target													
Year over Year Change	3,574	-	0	(3,260)	717	8,659	131,111	8,683	(150,79)	838	420	(1,100)	(8,951)
Cumulative Revised Project Cash Flow		21,123	121,928	462,012	966,536	1,505,642	2,350,080	3,274,188	4,080,101	4,858,020	5,572,579	6,032,140	6,214,802
Cumulative Project Cash Flow(Target)		21,723	122,628	465,017	939,025	1,490,411	2,310,112	3,210,031	3,973,619	4,745,718	5,258,940	5,620,110	5,811,111
Timing Adj.on EPC Billing Methodology		-	-	1,742	1,266	-	-	-	-	-	-	-	-
Adjusted Cumulative Target		21,723	122,628	467,660	942,033	1,502,480	2,333,741	3,210,045	3,976,827	4,748,721	5,261,957	5,621,110	5,814,231
Over/(Under)-Before Contingency		-	0	(5,028)	(5,497)	3,163	16,380	25,343	9,364	10,202	10,622	9,522	565
Project Cumulative Available Contingency*		-	-	-	72,330	115,277	163,011	213,821	263,001	304,746	329,176	356,661	379,387
Cumulative Use of Contingency		-	-	-	-	3,163	10,300	25,343	9,301	10,202	10,622	9,522	565
Project Not Contingency Available		-	-	-	72,330	112,114	147,550	188,477	253,000	294,544	318,554	347,139	378,822

* For simplicity, contingency numbers are stated in 2007 dollars. Actual available contingency is expected to be higher due to escalation.

Appendix 2, Chart C

Contingency Schedule

(Thousands of \$)

		Actual		Projected								
	Total	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revised Schedule Projected Contingency	438,291	-	37,858	40,770	49,410	55,475	57,450	56,287	49,623	29,746	32,424	29,049
Contingency Pool Timing Adjustment	-	-	(36,806)	36,806	-	-	-	-	-	-	-	-
Change in Estimated Project Base Costs	58,904	-	1,052	5,237	6,473	6,841	7,539	7,047	8,138	4,714	5,318	6,545
Revised Contingency Forecast(not of base cost change)	379,387	-	(0)	72,339	42,937	48,633	49,911	49,240	41,685	25,032	27,105	22,504
Cumulative Contingency Available(not of base cost change)*	-	-	(0)	72,339	115,276	163,909	213,821	263,061	304,746	329,778	356,883	379,387
Application of Contingency to Timing Variance	565	-	-	-	3,163	13,197	8,983	(15,979)	838	420	(1,100)	(8,957)
Cumulative Use of Contingency(Timing Related)	-	-	-	-	3,163	16,360	25,343	9,364	10,202	10,622	9,522	565
Cumulative Net Contingency Available	-	-	(0)	72,339	112,114	147,550	188,478	253,696	294,544	319,156	347,361	378,822

* for simplicity, contingency numbers are stated in 2007 dollars. Actual available contingency is expected to be higher due to escalation.

APPENDIX 3

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104A**

Quarter Ending March 31, 2010

For comparison purposes, Appendix 3 provides the unadjusted schedule of capital costs for the project which was approved by the Commission in Order No. 2010-12 as the Approved Capital Cost of the Unit, pursuant to S.C. Code Ann. § 58-33-270(B)(2) as well as the forecast of AFUDC expense based on these unadjusted schedule and the AFUDC rates that were current at the time of Order No. 2010-12. Appendix 3 is intended to provide a fixed point of reference for future revisions and updating. While the schedule of costs contained on Appendix 3 is subject to revision for escalation, changes in AFUDC rates and amounts, capital cost scheduling contingencies and other contingency adjustments as authorized in Order No. 2009-104A, no such adjustments have been made to the schedules presented here.

Appendix 3

RESTATED and UPDATED CONSTRUCTION EXPENDITURES

(Thousands of \$)

V.C. Summer Units 2 and 3 - Summary of SCE&G Capital Cost Components

Per Order 2010-12

Plant Cost Categories	Total	Actual		Projected									
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fixed with No Adjustment													
Firm with Fixed Adjustment A													
Firm with Fixed Adjustment B													
Firm with Indexed Adjustment													
Actual Craft Wages													
Non-Labor Costs													
Time & Materials													
Owners Costs													
Transmission Projects	308,591	-	27	555	1,502	3,043	4,864	9,947	24,850	37,443	43,451	81,739	101,171
Total Base Project Costs(2007 \$)	4,096,455	21,723	97,494	325,826	392,677	444,400	614,959	614,378	488,205	412,858	302,460	186,739	194,736
Total Project Contingency(2007 \$)	438,291	-	-	37,858	40,770	49,410	55,475	57,450	56,287	49,823	29,746	32,424	29,049
Total Project Commitment(2007\$)	4,534,746	21,723	97,494	363,684	433,447	493,810	670,434	671,828	544,492	462,681	332,206	219,162	223,785
Total Project Escalation	2,024,830	-	3,411	25,340	67,074	111,355	220,977	291,019	294,518	293,322	264,022	204,824	248,967
Total Revised Project Cash Flow	6,559,576	21,723	100,905	389,024	500,521	605,165	891,411	962,847	839,010	756,003	596,228	423,986	472,752
Cumulative Project Cash Flow(Revised)		21,723	122,628	511,653	1,012,174	1,617,339	2,508,749	3,471,596	4,310,606	5,066,609	5,662,837	6,086,823	6,559,575
AFUDC(Capitalized Interest)	315,739	645	3,496	15,973	23,979	28,098	36,328	45,517	45,035	39,297	25,923	22,789	28,659
Construction Work in Process		22,368	126,769	531,766	1,056,267	1,689,529	2,617,267	3,625,631	4,509,676	5,304,977	5,927,128	6,373,904	6,875,315

APPENDIX 4

V. C. Summer Nuclear Station Units 2 & 3

**Quarterly Report to the South Carolina Office of Regulatory Staff
Submitted by South Carolina Electric & Gas Company
Pursuant to Public Service Commission Order No. 2009-104A**

Quarter Ending March 31, 2010

Appendix 4 shows the changes in the inflation indices approved in Order No. 2009-104A. Included is a ten year history of the Handy Whitman All Steam Index, South Atlantic Region; the Handy Whitman All Steam and Nuclear Index, South Atlantic Region; Handy Whitman All Transmission Plant Index, South Atlantic Region; and the Chained GDP Index. The change in the relevant indices from the Combined Application is also provided.

Appendix 4, Chart A

Inflation Indices, Chart A

HW All Steam Generation Plant Index, January 2010

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2010	536	-1.29%	3.89%	5.21%	4.32%
2009	543	4.83%	7.19%	7.19%	
2008	518	8.14%	7.50%	6.65%	
2007	479	8.62%	7.66%	5.51%	
2006	441	5.76%	5.49%	4.17%	
2005	417	8.59%	4.39%	3.42%	
2004	384	2.13%	2.17%		
2003	376	2.45%	2.13%		
2002	367	1.94%			
2001	360	1.98%			
2000	353				

HW All Steam Index:

One year
Five Year

BLRA
Filing
Jul-07

Update
Jan-10

7.68%
5.74%

-1.29%
5.21%

Appendix 4, Chart B

Inflation Indices, Chart B

HW All Steam and Nuclear Generation Plant Index, January 2010

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2010	536	-1.11%	3.89%	5.26%	4.34%
2009	542	4.84%	7.21%	7.20%	
2008	517	7.93%	7.52%	6.66%	
2007	479	8.86%	7.75%	5.57%	
2006	440	5.77%	5.51%	4.19%	
2005	416	8.62%	4.40%	3.43%	
2004	383	2.13%	2.18%		
2003	375	2.46%	2.13%		
2002	366	1.95%			
2001	359	1.99%			
2000	352				

HW All Steam/Nuclear Index:

One year

Five Year

BLRA
Filing
Jul-07

Update
Jan-10

7.69%
5.75%

-1.11%
5.26%

Appendix 4, Chart C

Inflation Indices, Chart C

HW All Transmission Plant Index, January 2010

<u>Year</u>	<u>Index</u>	<u>Yr/Yr change</u>	<u>Three Year Average</u>	<u>Five Year Average</u>	<u>Ten Year Average</u>
2010	556	-4.14%	3.7%	5.74%	4.63%
2009	580	7.4%	8.1%	8.60%	
2008	540	7.8%	8.5%	7.71%	
2007	501	9.2%	9.3%	6.1%	
2006	459	8.5%	7.2%	4.8%	
2005	423	10.2%	4.3%	3.5%	
2004	384	2.9%	1.7%		
2003	373	-0.3%	1.5%		
2002	374	2.5%			
2001	365	2.2%			
2000	357				

HW All Transmission Plant Index

One year

Five Year

BLRA
Filing
Jul-07

8.82%
6.86%

Update
Jan-10

-4.14%
5.74%

Appendix 4

Inflation Indices, Chart D

GDP Chained Price Index, 2009

SERIESTYPE	UNIT	SHORT LABEL					2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Chained Price Index--Gross Domestic Product																
U.S. Macro - 10 Year Baseline	(2005=100)	Chained price index-gross domestic product, Source: BEA, Units: index- 2005=100														
Annual Percent change							88.65	90.65	92.11	94.10	96.77	100.00	103.26	106.22	108.48	109.75
3-Year Annual Percent change							2.17%	2.26%	1.61%	2.16%	2.84%	3.34%	3.26%	2.87%	2.13%	1.17%
5-Year Annual Percent change									2.01%	2.01%	2.20%	2.78%	3.14%	3.15%	2.75%	2.05%
10-Year Annual Percent change											2.21%	2.44%	2.64%	2.89%	2.88%	2.55%
																2.38%
Consumer Price Index, All-Urban																
U.S. Macro - 10 Year Baseline	Index	Consumer price index, all-urban, Source: BLS, Units: - 1982-84=1.00														
Percent change							1.72	1.77	1.80	1.84	1.89	1.95	2.02	2.07	2.15	2.15
3-Year Annual Percent change							3.37%	2.82%	1.60%	2.30%	2.67%	3.37%	3.23%	2.86%	3.69%	0.00%
5-Year Annual Percent change									2.59%	2.24%	2.19%	2.78%	3.09%	3.15%	3.26%	2.17%
10-Year Annual Percent change											2.55%	2.55%	2.63%	2.88%	3.16%	2.62%
																2.58%
Producer Price Index--Finished Goods																
U.S. Macro - 10 Year Baseline	(1982=1.0)	Producer price index-finished goods, Source: BLS, Units: index- 1982=1.0														
Percent change							1.38	1.41	1.39	1.43	1.49	1.56	1.60	1.67	1.77	1.73
3-Year Annual Percent change							3.76%	1.94%	-1.30%	3.18%	3.98%	4.70%	2.56%	4.38%	5.99%	-2.26%
5-Year Annual Percent change									1.44%	1.26%	1.93%	3.95%	3.74%	3.87%	4.30%	2.64%
10-Year Annual Percent change											2.29%	2.48%	2.60%	3.76%	4.31%	3.03%
																2.66%

GDP Chained Price Index

One year
Five Year

BLRA
Filing
Jul-07

Update
Jan-10

2.86%
2.81%

1.17%
2.55%

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Allocation of Base Load Review Increase

2009 Peak Demand Summary Allocations (Excluding City of Greenwood)

Class	Firm KW Demand	Overall Ratios
RES	1,917,895	45.52%
SGS	720,632	17.11%
MGS	461,910	10.97%
LGS	951,705	22.59%
RETAIL	4,052,142	96.19%
WHS	160,363	3.81%
TOTAL	4,212,505	100.00%

Total Revenue Requirement: \$ 56,721,688

Breakdown of Class Increases

	Retail Ratios	Allocated Increase
RES	47.33%	\$ 25,823,528
SGS	17.78%	\$ 9,700,873
MGS	11.40%	\$ 6,219,907
LGS	23.49%	\$ 12,816,283
RETAIL	100.00%	\$ 54,560,591

Capitalization Ratios and Cost of Capital

SOUTH CAROLINA ELECTRIC & GAS COMPANY / S.C. FUEL COMPANY
 REGULATORY CAPITALIZATION RATIOS FOR ELECTRIC OPERATIONS
 As of March 31, 2010 - Adjusted

	AMOUNT	RATIO	EMBEDDED COSTS	WEIGHTED AVERAGE COST OF CAPITAL	GROSS OF TAX
Long-Term Debt	\$ 2,865,425,000	46.64%	5.86%	2.73%	2.73%
Preferred Stock	\$ -	0.00%	0.00%	0.00%	0.00%
Common Equity	<u>\$ 3,277,670,526</u>	<u>53.36%</u>	11.00%	<u>5.87%</u>	<u>9.55%</u>
Total Capitalization	<u>\$ 6,143,095,526</u>	<u>100.00%</u>		<u>8.60%</u>	<u>12.28%</u>

* March 2010 actual adjusted for actual and planned equity transfers through June 30, 2010:

June 30, 2010 Projected	\$ 50,000,000	Proceeds from Equity Issuance (announced May 10, 2010)
June 30, 2010 Projected	\$ 22,500,000	Additional Equity transfers planned by June 30 from Stock Plans

South Carolina Electric & Gas Company
Base Load Review Act Revised Rates Filing
May 30, 2010
(Thousands of \$)

(SCE&G Allocation Only)

CWIP Currently in Rates as of June 30, 2009	\$ 264,325
Incremental Actual additions to Plant through March 31, 2010	\$ 277,449
Incremental Actual AFUDC through March 31, 2010	\$ 9,330
Incremental Projected Additions to Plant April 1 through June 30, 2010	\$ 168,288
Incremental Projected AFUDC April 1 through June 30, 2010	<u>\$ 6,836</u>
Projected CWIP as of June 30, 2010	\$ 726,228
Incremental CWIP	<u>\$ 461,903</u>
Gross Cost of Capital	<u>12.28%</u>
Incremental Revenue Requirement	<u>\$ 56,722</u>
Allocation Factor for Retail Operation	<u>96.19%</u>
Allocated Retail Revenue Increase	<u>\$ 54,561</u>

SOUTH CAROLINA ELECTRIC & GAS COMPANY

RATE DESIGN SUMMARY
INCREASE ON MAY, 2010 RATES

RATE CLASS	MAY, 2010 REVENUE	PROPOSED REVENUE	\$ CHANGE	% CHANGE
	COL. 1	COL. 2	COL. 3	COL. 4
RESIDENTIAL	\$ 917,021,628	\$ 942,844,707	\$ 25,823,079	2.82%
SMALL GENERAL SERVICE	\$ 358,130,033	\$ 367,830,326	\$ 9,700,293	2.71%
MEDIUM GENERAL SERVICE	\$ 220,869,077	\$ 227,088,462	\$ 6,219,385	2.82%
LARGE GENERAL SERVICE	\$ 503,539,479	\$ 516,355,310	\$ 12,815,831	2.55%
RETAIL TOTAL (EXCLUDING LIGHTING)	\$ 1,999,560,217	\$ 2,054,118,805	\$ 54,558,588	2.73%

EXHIBIT F

SOUTH CAROLINA ELECTRIC & GAS COMPANY PROPOSED ELECTRIC RATE SCHEDULES

Listed are the proposed electric rate schedules included as follows:

<u>Rate</u>	<u>Description</u>
1 (RGC)	Good Cents Residential Service
2	Low Use Residential Service
3 (M)	Municipal Power Service
5	Time-of-Use Residential Service
6 (RGCC)	Energy Saver / Conservation Residential Service
7	Time-of-Use Demand Residential Service
8	Residential Service
9	General Service
10	Small Construction Service
11	Irrigation Service
12 (C)	Church Service
13 (ML)	Municipal Lighting Service
14	Farm Service
15 (SS-1)	Supplementary and Standby Service
16	Time-of-Use General Service
19	Concurrent Demand Time-of-Use General Service
20	Medium General Service
21	General Service Time-of-Use Demand
21A	Experimental Program – General Service Time-of-Use Demand
22 (S)	School Service
23	Industrial Power Service
24	Large General Service Time-of-Use
28	Small General Service Time-of-Use Demand (Experimental)

Contract Rates

RATE 1 (RGC)

RESIDENTIAL SERVICE
GOOD CENTS RATE

AVAILABILITY

Effective January 15, 1996 this schedule is closed and not available to any new structure.

This rate is available to customers who meet the Company's Good Cents requirements and use the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residence and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CERTIFICATION REQUIREMENTS

Prior to construction, the customer or prospective customer must contact the Company to ascertain the requirements of the Good Cents Program and to arrange for on-site inspections for compliance.

The dwelling unit must be certified by the Company to meet or exceed the Company's Good Cents Program requirements in force at the time of application in order to qualify for service under this rate schedule.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.10908 per Kwhr.	\$ 0.10908 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.11999 per Kwhr.	\$ 0.10465 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when customer pays the difference in costs between non-standard service and standard service or pays the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 2

LOW USE RESIDENTIAL SERVICE

AVAILABILITY

This rate is available to customers that meet the special conditions listed below, and are served by the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit

SPECIAL CONDITIONS OF SERVICE

- 1) This rate schedule is available to those accounts where the consumption has not exceeded 400 Kwhrs. for each of the twelve billing months preceding the billing month service is to be initially billed under this rate schedule. The customer must have occupied the dwelling unit for the entire time necessary to determine eligibility under this rate schedule.
- 2) Consumption during a billing period of more than 30 days, used to determine eligibility under this rate schedule, shall be adjusted to a 30 day billing period by application of a fraction, the numerator of which shall be 30 and the denominator of which shall be the actual number of days in the billing period.
- 3) The second billing month within a twelve billing month period that consumption under this rate schedule exceeds 400 Kwhrs will terminate eligibility under this rate schedule.
- 4) Service will be billed under the previous rate schedule the next twelve billing periods before the customer will again be eligible for the Low Use Rate

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire

RATE PER MONTH

Basic Facilities Charge: \$ 8.00

Plus Energy Charge:

All Kwhrs. @ \$ 0.08510 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

SOUTH CAROLINA ELECTRIC & GAS COMPANY**ELECTRICITY****RATE 3 (M)****MUNICIPAL
POWER SERVICE****AVAILABILITY**

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for power purposes including, but not restricted to public buildings and pumping stations. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge: \$ 18.10

Plus Energy Charge:

Summer Billing Months (June-September)

All Kwhrs. @ \$ 0.09631 per Kwhr.

Winter Billing Months (October-May)

All Kwhrs. @ \$ 0.09631 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$ 0.3612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$ 0.0038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no conditions will the Company allow the service to be resold to or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than ten (10) years. Contracts shall be written for a period of not less than ten (10) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 5

RESIDENTIAL SERVICE
TIME OF USE

AVAILABILITY

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

I. Summer Months of June-September

A. Basic Facilities Charge:	\$ 12.00
B. Energy Charge:	
All on-peak Kwhrs. @	\$ 0.25239 per Kwhr.
All off-peak Kwhrs. @	\$ 0.08585 per Kwhr.
C. Minimum Bill:	
The monthly minimum charge shall be the basic facilities charge	

II. Winter Months of October-May

A. Basic Facilities Charge:	\$ 12.00
B. Energy Charge:	
All on-peak Kwhrs. @	\$ 0.22967 per Kwhr.
All off-peak Kwhrs. @	\$ 0.08585 per Kwhr.
C. Minimum Bill:	
The monthly minimum charge shall be the basic facilities charge	

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.*

Winter Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics

The Company's leveled payment plans are not available to customers served under this rate schedule.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 6 (RGCC)

RESIDENTIAL SERVICE
ENERGY SAVER/
CONSERVATION RATE
(Page 1 of 2)

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit

The builder or homeowner must provide the following:

- 1) For new homes only - Proof that home meets the Council of American Building Officials Model Energy Code.
- 2) Receipts showing the purchase and installation of a new AC unit that meets the requirements as shown below
- 3) A certificate issued by an installer showing a wall total cavity R value of 15 (R-15).
- 4) Certification from builder stating that requirements have been met.

The Company may perform an on-site audit to verify that customer meets availability requirements as stated herein.

THERMAL AND AIR CONDITIONING REQUIREMENTS FOR ENERGY CONSERVATION

The following requirements are predicated on the Council of American Building Officials Model Energy Code and subject to change with a change in the Council of American Building Officials Model Energy Code. Sufficient application of thermal control products and specified air conditioning requirements must be met to satisfy the minimum standards outlined below:

Ceilings:	Ceilings of newly constructed homes shall be insulated with a total "as installed" thermal resistance (R) value of 30 (R-30). Ceilings of manufactured housing shall be insulated with a thermal resistance (R) value of 30 (R-30). Ceilings of existing housing shall be insulated with a total "as installed" thermal resistance (R) value of 38 (R-38).
Lighting:	Recessed ceiling lights shall be sealed.
Walls:	Walls exposed to the full temperature differential (TD), or unconditioned areas, shall have a total cavity R value of 15 (R-15). *This is not a requirement for existing housing.
Floors:	Floors over crawl space or crawl space walls shall have insulation installed having a total R value of 19 (R-19). 100% of the exposed earth in a crawl space shall be covered with a vapor barrier of no less than (4) mills.
Windows:	Windows shall be insulated (double) glass or have storm windows.
Doors:	Doors exposed to full TD areas must be weather-stripped on all sides and of solid construction.
Ducts:	Air ducts located outside of conditioned space must have: 1) all joints properly fastened and sealed, and, 2) the duct shall have a minimum installed insulation R-value of 6.0. All joints in ductwork outside of the conditioned space must be permanently sealed with the application of duct sealant. Transverse joints, take-offs, transitions, supply/return connections to the air handler, boot connections to the floor/ceiling/wall, and framed-in and panned passages must be made airtight with duct sealant.
Attic Vent:	Attic ventilation must be a minimum of one square foot of net free area for each 150 square feet attic floor area.
Water Heaters:	Electric water heaters must have insulation surrounding the tank with minimum total R value of 8 (R-8).
Air Condition:	All air conditioners must have a SEER rating of 1.5 SEER higher than the rating shown in the Council of American Building Officials Model Energy Code or 12 SEER or any federal or state mandated energy codes, whichever is higher.
Other:	Chimney flues and fireplaces must have tight fitting dampers *Insulation thermal resistance values are shown for insulation only, framing corrections will not be considered.

The "as installed" thermal resistance (R) value for all loose fill or blowing type insulation materials must be verifiable either by installed density using multiple weighted samples, the manufacturer's certification methods, Federal Trade Commission's procedures or other methods specified by local governing agencies.

RATE 6 (RGCC)

RESIDENTIAL SERVICE
ENERGY SAVER/
CONSERVATION RATE
(Page 2 of 2)

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Month June-September)	<u>Winter</u> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.10908 per Kwhr.	\$ 0.10908 per Kwhr
Excess over 800 Kwhrs. @	\$ 0.11999 per Kwhr.	\$ 0.10465 per Kwhr

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 7

RESIDENTIAL SERVICE
TIME-OF-USE DEMAND

AVAILABILITY

This rate is available on a voluntary basis to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartments structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total or more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

I. Basic Facilities Charge:	\$	12.00
II. Demand Charge:		
A. On-Peak Billing Demand		
Summer Months of June-September @	\$	10.48 per KW
Non-Summer Months of October-May @	\$	6.55 per KW
III. Energy Charge:		
All on-peak Kwhrs.@	\$	0.08413 per Kwhr.
All off-peak Kwhrs.@	\$	0.06340 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

BILLING DEMAND

The maximum integrated fifteen minute demand for the current month occurring during the on-peak hours specified below. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

DETERMINATION OF ON-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September:

The on-peak summer hours are defined as the hours between 2:00 p.m.-7:00 p.m., Monday-Friday, excluding holidays.*

Non-Summer Months of October-May:

The on-peak winter hours are defined as the hours between 7:00 a.m.-12:00 noon, Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

The Company's leveled payment plans are not available to customers served under this rate schedule.

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule

RATE 8

RESIDENTIAL SERVICE

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system to individually metered private residences and individually metered dwelling units in apartment structures or other multi-family residential structures. It is not available for resale service nor shall service be supplied to dwelling units having a total of more than ten rooms, five or more of which are rented or offered for rent to any person or persons not a member, or members, of the immediate family of the owner or lessor of the dwelling units.

A dwelling unit is defined as a room or group of rooms having, in addition to living quarters, kitchen facilities for the sole use of the family or individual occupying such dwelling unit.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, 120 volts, 2 wire or 120/240 volts 3 wire.

RATE PER MONTH

	<u>Summer</u> (Billing Month June-September)	<u>Winter</u> (Billing Month October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.11333 per Kwhr.	\$ 0.11333 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.12466 per Kwhr	\$ 0.10873 per Kwhr

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03606 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00043 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service or pays to the Company its normal monthly facility charge based on such difference in costs

TERM OF CONTRACT

Contracts shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 9

GENERAL SERVICE

(Page 1 of 2)

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power purposes such as commercial, industrial, religious, charitable and eleemosynary institutions. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 18.10	\$ 18.10
Demand Charge:		
First 250 KVA of Billing Demand	No Charge	No Charge
Excess over 250 KVA of Billing Demand @	\$ 3.18 per KVA	No Charge

The Billing Demand (to the nearest whole KVA) shall be the maximum integrated fifteen (15) minute demand measured during the billing months of June through September.

Energy Charge:

First 3,000 Kwhrs. @	\$ 0.11232 per Kwhr.	\$ 0.11232 per Kwhr.
Over 3,000 Kwhrs. @	\$ 0.11928 per Kwhr.	\$ 0.10435 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge and demand charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

POWER FACTOR

If the power factor of the Customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

TEMPORARY SERVICE

Temporary service for construction and other purposes will be supplied under this rate in accordance with the Company's Terms and Conditions covering such service.

PAYMENT TERMS

All bills are net and payable when rendered.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 9

GENERAL SERVICE

(Page 2 of 2)

SPECIAL PROVISIONS

This rate is available for residential service where more than one dwelling unit is supplied through a single meter, provided service to such dwelling unit was established prior to July 1, 1980.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

UNMETERED SERVICE PROVISION

When customer's usage can be determined and in the sole opinion of the Company, installation of metering equipment is impractical or uneconomical, monthly Kwhrs. may be estimated by the Company and billed at the above rate per month, except that the basic facilities charge shall be \$6.05.

TERM OF CONTRACT

Contracts for installation of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 10**SMALL CONSTRUCTION SERVICE****AVAILABILITY**

This rate is available as a temporary service for builders using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general lighting and/or power purposes during construction. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, single phase, two or three wire at Company's standard secondary service voltages of 240 volts or less.

RATE PER MONTH

Basic Facilities Charge: \$ 8.00

Plus Energy Charge:
All Kwhrs. @ \$ 0.11334 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

If providing temporary service requires the Company to install transformers and other facilities which must be removed when temporary service is no longer required, then the customer may be required to pay the cost of installing and removing the Company's temporary facilities.

TERM OF CONTRACT

Contracts shall be written for a period of time commencing with establishment of service and ending when construction is suitable for occupancy or one year, which is less. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 11

IRRIGATION SERVICE

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. It is not available for resale. This schedule is available for service furnished for the operation of electric motor driven pumps and equipment supplying water for the irrigation of farmlands and plant nurseries, and irrigation to provide adequate moisture for vegetative cover to control erosion and provide runoff. The pumping units served hereunder shall be used solely for the purpose of irrigation.

All motors of more than 5 H.P. shall be approved by the Company. The Company reserves the right to deny service to any motor which will be detrimental to the service of other customers. Upon request, customer may pay all cost associated with upgrading the system to the point at which starting the customer's motor will not degrade the service to the other customers.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company

RATE PER MONTH

I. Summer Months of June-September

A. Basic Facilities Charge:	\$ 21.75
B. Energy Charge:	
All on-peak Kwhrs. @	\$ 0.20511 per Kwhr.
All shoulder Kwhrs. @	\$ 0.11876 per Kwhr.
All off-peak Kwhrs. @	\$ 0.07143 per Kwhr.

II. Winter Months of October-May

A. Basic Facilities Charge:	\$ 21.75
B. Energy Charge:	
All Kwhrs. @	\$ 0.07143 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, except when the revenue produced by the customer does not sufficiently support the investment required to serve the load. The Company will determine in each case the amount and form of payment required to correct the revenue deficiency.

DETERMINATION OF ON-PEAK SHOULDER, AND OFF-PEAK HOURS

A. On-Peak Hours:

Summer Months of June-September.

The on-peak summer hours are defined as the hours between 2:00 p.m.-6:00 p.m., Monday-Friday, excluding holidays.*

B. Shoulder Hours:

Summer Months of June-September:

The shoulder summer hours are defined as the hours between 10:00 a.m.-2:00 p.m. and 6:00 p.m.-10:00 p.m., Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak or shoulder hours.

*Holidays are Independence Day and Labor Day.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and obtain any other data necessary to determine the customer's load characteristics.

TERM OF CONTRACT

Contracts for installations shall be written for a period of not less than ten (10) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 12 (C)**CHURCH SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to churches. It is not available for resale or standby service. It is only available to recognized churches.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge	\$	12.40
Plus Energy Charge:		
All Kwhrs. @	\$	0.09647 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a church offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

TERM OF CONTRACT

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

RATE 13 (ML)**MUNICIPAL
LIGHTING SERVICE****AVAILABILITY**

This rate is available to municipal customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system. This includes all municipally owned and operated facilities for lighting streets, highways, parks and other public areas, or other signal system service. It is not available for resale or standby service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge: \$ 18.10

Plus Energy Charge:

All Kwhrs. @ \$ 0.09015 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$ 0.3612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

Service shall not be supplied under this rate for establishments of a commercial nature, nor to operations primarily non-municipal. Under no circumstances will the Company allow the service to be resold or shared with others.

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

Contracts shall be written for a period of not less than ten (10) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 14**FARM SERVICE****AVAILABILITY**

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system on farms for producing but not processing agricultural, dairy, poultry and meat products.

Service shall not be supplied under this rate for establishments of a commercial nature such as stores, shops, stands, restaurants, service stations or any non-farm operations, nor for processing, distributing or selling farm or other products not originating through production on the premises served. Motors rated in excess of 20 H.P. will not be served on this rate. It is available for farm commercial operations including irrigation, grain elevators and crop drying for farm products produced on the premises served. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

	<u>Summer</u> (Billing Months June-September)	<u>Winter</u> (Billing Months October-May)
Basic Facilities Charge:	\$ 8.00	\$ 8.00
Plus Energy Charge:		
First 800 Kwhrs. @	\$ 0.11334 per Kwhr.	\$ 0.11334 per Kwhr.
Excess over 800 Kwhrs. @	\$ 0.12467 per Kwhr.	\$ 0.10874 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs Exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state and governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 15 (SS-1)**SUPPLEMENTARY AND STANDBY SERVICE****AVAILABILITY**

Available to Small Power Producers and co-generators that are a Quality Facility as defined by the Federal Energy Regulatory Commission (FERC) Order No. 70 under Docket No. RM 79-54. This schedule is not available to Qualifying Facilities with a power production capacity greater than 100 KW.

SUPPLEMENTARY SERVICE

Supplementary service is defined herein as power supplied by the Company to a Qualifying Facility in addition to that which the Qualifying Facility generates itself. Supplementary service will be provided by the Company under a retail electric service schedule which the customer will establish in conjunction with the implementation of this Supplementary and Standby Service rate

SUPPLEMENTARY SERVICE

- 1) Standby service under this schedule is defined herein as power supplied by the Company to a Qualifying Facility to replace energy ordinarily generated by a Qualifying Facility during a scheduled or unscheduled outage.
- 2) Standby service is available to customers establishing a firm demand which is billed under a retail electric service schedule of the Company. If no firm demand is established by the customer for the purpose of taking Supplementary power, then Standby service will be provided as Supplementary service and billed on the applicable retail electric service schedule.
- 3) Standby service is defined for each 15-minute interval as the minimum of: (1) the Standby contracted demand, and, (2) the difference between the measured load and the contracted firm demand, except that such difference shall not be less than zero.
- 4) Supplementary Service is defined as all power supplied by the Company not defined herein as Standby Service.
- 5) The Standby contract demand shall be limited to the power production capacity of the Qualifying Facility.

STANDBY SERVICE POWER RATE PER MONTH

Basic Facilities Charge	\$ 175.00
Demand Charge per KW of Contract Demand	\$ 4.77
Energy Charge:	
On-Peak KWH	\$ 0.05933
Off-Peak KWH	\$ 0.04529

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

- A. On-Peak Hours:
On-peak hours are defined to be 10:00 a.m. - 10:00 p.m. for the months of June-September, excluding weekends.
- B. Off-Peak Hours:
All hours not defined as on-peak hours are considered to be off-peak.

POWER FACTOR

The customer must maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company shall adjust the billing demand to a basis of 85% power factor

LIMITING PROVISION

The Standby Service power rate will be available for 1325 annual hours of consumption beginning in May and ending in April, or for a prorated share thereof for customers who begin to receive service in months other than May. Accounts on this rate are subject to the following condition: Standby service will be available for a maximum of 120 On-Peak Hours.

If this account exceeds: (1) 1325 hours of Standby service annually, or (2) 120 on-peak hours of Standby service, the account will be billed on the rate normally applied to customer's Supplementary service load for the current billing month and the subsequent eleven months

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$0.036111 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$0.00008 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The customer is responsible for all costs associated with interconnection to the Company's system for the purpose of obtaining Supplementary or Standby power

TERM OF CONTRACT

Contracts shall be written for a period of not less than three (3) years.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 16**GENERAL SERVICE
TIME-OF-USE****AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of less than 1,000 KW. The second billing month within a twelve billing month period that on-peak demand exceeds 1,000 KW will terminate eligibility under this rate schedule. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company

RATE PER MONTH

I. Basic Facilities Charge:	\$	21.75
II. Energy Charge:		
A. On-Peak Kwhrs		
1. Months of June-September	\$	0.20511 per Kwhr.
2. Months of October-May	\$	0.15687 per Kwhr.
B. Off-Peak Kwhrs.		
First 1,000 off-peak Kwhrs. @	\$	0.08389 per Kwhr.
Excess over 1,000 off-peak Kwhrs. @	\$	0.08892 per Kwhr.

DETERMINATION OF ON-PEAK HOURS**A. On-Peak Hours:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

POWER FACTOR

If the power factor of the customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 19

GENERAL SERVICE
CONCURRENT DEMAND
TIME-OF-USE

(Page 1 of 2)

AVAILABILITY

This rate is available at the Company's discretion, to a maximum of 10 business entities using the Company's standard electric service. Each business entity shall be comprised of at least 2 non-contiguous premises having a total combined contract demand of at least 1,000 KVA, in addition, each premises shall have a minimum contract demand of 50 KVA. A business entity is defined as a single corporation, partnership, or individual owner. This rate is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The individual premises which comprise the business entity should possess similar characteristics and/or load patterns common to the industry in which the entity does business. This schedule is not available to entities which form an association or similar organization solely in an attempt to qualify for service under this rate. The Company reserves the right to make a final determination on what constitutes a business entity as well as the premises making up that entity. This rate is not available for residential customers or resale service.

Service under this rate schedule is dependent on the Company procuring and installing necessary metering equipment and may not be available to premises where multiple delivery points on contiguous properties are not currently combined under contract.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. The Diversity Charge will be computed utilizing actual data or modeled using available sample data from similar entities. Once actual data is available for a twelve month period, the Diversity Charge will be reviewed and may be adjusted. The Diversity charge will not be less than zero. The Diversity Charge will be computed according to the following formula:

$$\text{Diversity Charge} = \frac{AC1 - AC2}{12}$$

Where AC1 = Annual Cost Under Current Rate(s)
AC2 = Annual Cost Projected Under Concurrent Rate

II. Basic Facilities Charge: \$ 175.00 per Premises

III. Demand Charge:

A. Concurrent On-Peak Billing Demand

1. Summer Months of June-September @ \$ 19.75 per KVA
2. Non-Summer Months of October-May @ \$ 13.19 per KVA

B. Concurrent Off-Peak Billing Demand

1. All Off-Peak Billing Demand @ \$ 3.67 per KVA

IV. Energy Charge:

A. On-Peak Kwhrs.

1. Summer Months of June-September @ \$ 0.08696 per Kwhr.
2. Non-Summer Months of October-May @ \$ 0.05933 per Kwhr.

B. Off-Peak Kwhrs.

1. All Off-Peak Kwhrs. @ \$ 0.04529 per Kwhr.

BILLING DEMAND

The concurrent billing demand for the entity will be the maximum integrated 15 minute concurrent demand which may be on a rolling time interval for all the premises' metering points during the calendar month.

For the summer months, the concurrent on-peak billing demand shall be the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month.

For the non-summer months, the concurrent on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute concurrent demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated concurrent demand occurring during the on-peak hours of the preceding months.

The concurrent off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute concurrent demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand, or (3) 50 KVA per premises minus the on-peak billing demand.

RATE 19

GENERAL SERVICE
CONCURRENT DEMAND
TIME-OF-USE
(Page 2 of 2)

DETERMINATION OF ON-PEAK AND OFF PEAK HOURS**A. On-Peak Hours During Summer Months:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The peak non-summer hours are defined as the hours between 6:00 a.m.-12:00 noon and 5:00p.m.-9:00 p.m., Monday - Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

ADDITION OR REMOVAL OF A PREMISES

An additional premises may be added subsequent to the initial five (5) year contract without an increase in the diversity charge if the entity extends the existing concurrent contract so that the term extends five (5) years after the addition of the new premises. A premises existing at the time that the entity initially elects to take service under this rate schedule may be added without an extension in the concurrent contract term; however, there will be an increase in the diversity charge as each pre-existing premises is added. If an entity wants to terminate service to a premises under this rate schedule and the same time does not add another premises which includes an extension of the contract term, the Company will determine the appropriate termination charge. Alternatively, if the entity adds an additional premises and prefers not to extend the contract term, the diversity charge will increase accordingly and the entity agrees to reimburse the Company for the total cost of connection to the Company's system if service to the new premises is terminated within five (5) years of the service date.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03611 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

BILLING AND PAYMENT TERMS

Bills will be calculated on a monthly basis. Each premises will receive an individual information bill and the entity will receive a combined bill summarizing all of the premises. All payments, as well as any credit and collection activities, will be at the entity level. All bills are net and payable when rendered.

SALES AND FRANCHISE TAX

For each premises served under this rate, any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body, will be added to the monthly bill.

METERING

Service under this rate will be provided only after the Company procures and installs at each premises metering which has interval data capabilities to allow for the aggregation of demand for each 15 minute interval in the billing period. Each entity may be required to contribute to the cost of metering installed by the Company to qualify for service under this rate. In addition, the entity must provide a dedicated phone line at each metering point.

TERM OF CONTRACT

The contract terms will depend on the conditions of service above. No contract shall be written for a period of less than five (5) years. A master contract shall be written to include all premises amended as premises are added or deleted.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 20**MEDIUM GENERAL SERVICE****AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service for power and light requirements and having a contract demand of 75 KVA or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH**Demand Charge:**

First 75 KVA of Billing Demand	\$ 1,326.25
Excess over 75 KVA of Billing Demand @	\$ 15.55 per KVA

The billing demand (to the nearest whole KVA) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months June through September in the eleven preceding months; or (3) sixty percent (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months; or (4) the contract demand; or (5) 75 KVA.

Plus Energy Charge:

First 75,000	\$ 0.05106 per Kwhr.
Excess over 75,000	\$ 0.04604 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03611 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years. A separate contract shall be written for each meter.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 21

GENERAL SERVICE
TIME-OF-USE-DEMAND

(Page 1 of 2)

AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 50 KVA and a maximum demand of less than 1,000 KVA. It is not available for resale service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation

RATE PER MONTH

I. Basic Facilities Charge:	\$	175.00
II. Demand Charge:		
A. On-Peak Billing Demand:		
1. Summer Months of June-September @	\$	19.75 per KVA
2. Non-Summer Months of October-May @	\$	13.19 per KVA
B. Off-Peak Billing Demand		
1 All Off-Peak Billing Demand @	\$	3.67 per KVA
III. Energy Charge:		
A. On-Peak Kwhrs.		
1. Summer Months of June-September @	\$	0.08696 per Kwhr.
2. Non-Summer Months of October-May @	\$	0.05933 per Kwhr.
B. Off-Peak Kwhrs.		
1 All Off-Peak Kwhrs @	\$	0.04529 per Kwhr.

BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays *

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

RATE 21

GENERAL SERVICE
TIME-OF-USE-DEMAND

(Page 2 of 2)

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03611 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

RATE 21A

EXPERIMENTAL PROGRAM - GENERAL SERVICE

TIME-OF-USE-DEMAND

(Page 1 of 2)

AVAILABILITY

This rate is available on a voluntary "first come, first serve" basis to the first 250 Rate 20 customer accounts and any Rate 21 customer account that qualify under the provisions of the stipulation approved by the South Carolina Public Service Commission in Docket #2002-223-E order No. 2003-38 dated January 31, 2003. This rate will be closed after the initial participant group is established, except there will be 25 additional customer accounts that will be allowed to participate on a "first come first serve" basis for new facilities constructed by customers in the initial participant group and as provided for in the stipulation as referenced above. The stipulation referenced above shall provide guidance as to any issue regarding availability on this rate. It is not available for resale service.

CHARACTER OF SERVICE

Alternating current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation

RATE PER MONTH

I. Basic Facilities Charge:	\$	175.00	
II. Demand Charge:			
A. On-Peak Billing Demand:			
1. Summer Months of June-September @	\$	18.96	per KVA
2. Non-Summer Months of October-May @	\$	11.96	per KVA
B. Off-Peak Billing Demand			
1. All Off-Peak Billing Demand @	\$	3.67	per KVA
III. Energy Charge:			
A. On-Peak Kwhrs.			
1. Summer Months of June-September @	\$	0.07875	per Kwhr
2. Non-Summer Months of October-May @	\$	0.05341	per Kwhr
B. Off-Peak Kwhrs.			
1. All Off-Peak Kwhrs. @	\$	0.04189	per Kwhr.

BILLING DEMAND

The billing demands will be rounded to the nearest whole KVA. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, (2) the contract demand minus the on-peak billing demand or (3) 50 KVA minus the on-peak billing demand.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

A. On-Peak Hours During Summer Months:

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October:

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as these hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 21A

EXPERIMENTAL PROGRAM - GENERAL SERVICE

TIME-OF-USE-DEMAND

(Page 2 of 2)

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03611 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00022 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. The contract for this experimental program shall be written for a period of 48 months as provided for in the stipulation approved by the South Carolina Public service Commission in docket No. 2002-223-E, order No. 2003-38 dated July 31, 2003. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule

RATE 22 (S)

SCHOOL SERVICE

AVAILABILITY

This rate is available to customers using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for general light and/or power service to schools. It is not available for resale service. It is only available to recognized non-boarding schools with up through grade twelve.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

Basic Facilities Charge:		\$	12.40
Plus Energy Charge:			
First	50,000 Kwhrs. @	\$	0.09850 per Kwhr.
Excess over	50,000 Kwhrs. @	\$	0.11456 per Kwhr.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction of the excess cost or pay the Company's standard facility rate on the excess construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Under no conditions will the Company allow the service to be resold to or shared with others. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

When a school offers activities that, in the sole opinion of the Company, are of a commercial nature such as day care, camps or recreational activities, the Company may require that the account be served under the appropriate general service rate.

TERM OF CONTRACT

Contracts shall be written for a period of not less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 23**INDUSTRIAL POWER SERVICE****AVAILABILITY**

This rate is available to any customer classified in the major industrial group of manufacturing with 10-14 or 20-39 as the first two digits of the Standard Industrial Classification or 21 or 31-33 as the first two digits of the six digit North American Industry Classification System using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH**Demand Charge:**

First 1,000 KW of Billing Demand	\$ 14,800.00
Excess over 1,000 KW of Billing Demand @	\$ 13.10 per KW

The billing demand (to the nearest whole KW) shall be the greatest of: (1) the maximum integrated fifteen minute demand measured (which may be on a rolling time interval) during the current month; or (2) eighty percent (80%) of the highest demand occurring during the billing months of June through September in the eleven preceding months; or (3) sixty (60%) of the highest demand occurring during the billing months of October through May in the eleven preceding months, or (4) the contract demand; or (5) 1,000 KW.

The customer shall maintain a power factor of as near unity as practicable. If the power factor of the customer's installation falls below 85%, the Company will adjust the billing demand to a basis of 85% power factor.

Plus Energy Charge:

All Kwhrs. @	\$ 0.04559 per Kwhr.
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DISCOUNT

A discount of \$0.60 per KW of billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03613 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 24**LARGE GENERAL SERVICE
TIME-OF-USE**

(Page 1 of 2)

AVAILABILITY

This rate is available to any customer using the Company's standard service for power and light requirements and having a contract demand of 1,000 KW or over. It is not available for resale service.

CHARACTER OF SERVICE

Alternating Current, 60 hertz, three phase, metering at the delivery voltage which shall be standard to the Company's operation.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 1,700 00
II. Demand Charge:	
A. On-Peak Billing Demand	
1. Summer Months of June-September @	\$ 15.80 per KW
2. Non-Summer Months of October-May @	\$ 11.09 per KW
B. Off-Peak Billing Demand	
1. All Off-Peak Billing Demand @	\$ 4.77 per KW
III. Energy Charge:	
A. On-Peak Kwhrs.	
1. Summer Months of June-September @	\$ 0.07555 per Kwhr.
2. Non-Summer Months of October-May @	\$ 0.05461 per Kwhr.
B. Off-Peak Kwhrs.	
1. All Off-Peak Kwhrs. @	\$ 0.04174 per Kwhr.

BILLING DEMAND

The billing demands will be rounded to the nearest whole KW. If the power factor of the customer's current month maximum integrated fifteen minute KW demand for the on-peak and off-peak time periods are less than 85%, then the Company will adjust same to 85%. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand, or (2) the contract demand minus the on-peak billing demand, or (3) 1,000 KW minus the on-peak billing demand.

DISCOUNT

A discount of \$0.60 per KW of on-peak and off-peak billing demand will be allowed when the service is supplied at a delivery voltage of 46,000 volts or higher.

DETERMINATION OF ON-PEAK HOURS**A. On-Peak Hours During Summer Months:**

June-September.

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

B. On-Peak Hours During Non-Summer Months:

May and October.

The on-peak non-summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

November-April:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-12:00 noon and 5:00 p.m.-9:00 p.m.,

Monday-Friday, excluding holidays.*

C. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day

Effective Upon Approval of the Public
Service Commission of South Carolina

RATE 24**LARGE GENERAL SERVICE****TIME-OF-USE**

(Page 2 of 2)

MINIMUM CHARGE

The monthly minimum charge is the demand as determined above. The Company may allow a buildup period not to exceed six months for new and expanding accounts during which time the contract demand and/or the minimum demand specified in the rate schedule may be waived. The Company shall not commit itself to a buildup period exceeding six months without prior approval of the Commission for the specific account involved.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel costs of \$.03613 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00008 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

PAYMENT TERMS

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. No contract shall be written for a period of less than five (5) years. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and a part of this rate schedule.

**RATE 28
(EXPERIMENTAL)****SMALL GENERAL SERVICE
TIME-OF-USE DEMAND
(Page 1 of 2)****AVAILABILITY**

This rate is available to any non-residential customer using the Company's standard service which is specified as a single point of delivery per premises from an existing overhead distribution system for power and light requirements and having an on-peak demand of not more than 100KW. The second billing month within a twelve billing month period that on-peak demand exceeds 100 KW will terminate eligibility under this rate schedule. It is not available for resale service. This rate is available to a maximum of 25 customers not enrolled under the Company's Rider to Rates 7 & 28 - Net Metering For Renewable Energy Facilities.

CHARACTER OF SERVICE

Alternating Current, 60 hertz. Voltage and phase at the option of the Company.

RATE PER MONTH

I. Basic Facilities Charge:	\$ 21.75
II. Demand Charge:	
A. On-Peak Billing Demand:	
1. Summer months of June-September @	\$ 17.27 per KW
2. Non-Summer months of October-May @	\$ 10.79 per KW
B. Off-Peak Billing Demand:	
1. All Off-Peak Billing Demand @	\$ 3.45 per KW
III. Energy Charge:	
A. On-Peak Kwhrs.	
1. All On-Peak Kwhrs. @	\$ 0.09985 per Kwhr
B. Off-Peak Kwhrs.	
2. All Off-Peak Kwhrs. @	\$ 0.07681 per Kwhr.

BILLING DEMAND

The billing demands will be rounded to the nearest whole KW. The maximum integrated fifteen minute demand for any period may be recorded on a rolling time interval.

For the summer months, the on-peak billing demand shall be the maximum integrated fifteen minute demand measured during the on-peak hours of the current month.

For the non-summer months, the on-peak billing demand will be the greater of: (1) the maximum integrated fifteen minute demand measured during the on-peak hours of the current month, or (2) eighty percent (80%) of the maximum integrated demand occurring during the on-peak hours of the preceding summer months.

The off-peak billing demand shall be the greatest of the following positive differences: (1) the maximum integrated fifteen minute demand measured during the off-peak hours minus the on-peak billing demand or (2) the contract demand minus the on-peak billing demand.

DETERMINATION OF ON-PEAK HOURS**A. On-Peak Hours:**

June-September:

The on-peak summer hours are defined as the hours between 1:00 p.m.-9:00 p.m., Monday-Friday, excluding holidays.*

October-May:

The on-peak non-summer hours are defined as those hours between 6:00 a.m.-10:00 a.m. and 6:00 p.m.-10:00 p.m.

Monday-Friday, excluding holidays.*

B. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified as on-peak hours.

*Holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

MINIMUM CHARGE

The monthly minimum charge shall be the basic facilities charge as stated above, provided however, when construction costs exceed four (4) times the estimated annual revenue excluding fuel revenue to be derived by the Company, the customer may make a contribution in aid of construction cost in addition to the rate charges above.

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS

Fuel cost of \$.03612 per Kwhr. are included in the energy charge and are subject to adjustment by order of the Public Service Commission of South Carolina.

STORM DAMAGE COMPONENT

The energy charges above include a storm damage component of \$.00038 per Kwhr. for accumulation of a storm damage reserve.

SALES AND FRANCHISE TAX

To the above will be added any applicable sales tax, franchise fee or business license tax which may be assessed by any state or local governmental body.

POWER FACTOR

If the power factor of the customer's installation falls below 85%, the Company may adjust the billing to a basis of 85% power factor.

**RATE 28
(EXPERIMENTAL)****SMALL GENERAL SERVICE
TIME-OF-USE DEMAND
(Page 2 of 2)****PAYMENT TERMS**

All bills are net and payable when rendered.

SPECIAL PROVISIONS

The Company will furnish service in accordance with its standard specifications. Non-standard service will be furnished only when the customer pays the difference in costs between non-standard service and standard service or pays to the Company its normal monthly facility charge based on such difference in costs.

The Company shall have the right to install and operate special metering equipment to measure customer's loads or any part thereof and to obtain any other data necessary to determine the customer's load characteristics.

TERM OF CONTRACT

The contract terms will depend on the conditions of service. Contracts for installations of a permanent nature shall be written for a period of not less than one (1) year. A separate contract shall be written for each meter at each location.

GENERAL TERMS AND CONDITIONS

The Company's General Terms and Conditions are incorporated by reference and are a part of this rate schedule.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ELECTRIC CONTRACTED RATES

<u>Name of Customer</u>	<u>Rate</u>
State Line Accounts*	23
U. S. Department of Energy Savannah River Operations	
Base Contract	<u>Demand Charge:</u> Basic Facility Charge \$ 1,700.00 First 20,000 Kw \$ 11.14 per KW Excess over 20,000 Kw \$ 13.10 per KW <u>Energy Charge:</u> All KWhr. @ \$ 0.04559 per KWhr.

INTERNATIONAL PAPER Eastover Mills

Economy Power Rate	<u>Administrative Charges:</u> \$ 1,700.00 per month <u>On-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.01181 per KWhr. <u>Off-Peak Energy Charge:</u> Fuel cost of highest cost generation unit or purchased power (other than cogeneration) plus \$ 0.00649 per KWhr. <u>Excess Demand Charge:</u> \$ 18.00 per KW
Standby Power Rate	<u>Demand Charge:</u> On-peak June-September \$ 0.35178 per KW/Day On-peak October-May \$ 0.19693 per KW/Day Off-peak \$ 0.13710 per KW/Day <u>Energy Charge:</u> Same as that for Economy Power above <u>Excess Demand Charge:</u> \$ 18.00 per KW

SOUTH CAROLINA ELECTRIC & GAS COMPANY**ELECTRIC CONTRACTED RATES****INTERNATIONAL PAPER - continued**

Maintenance Power Rate	<u>Demand Charge:</u>	\$ 0.41096	per KW/Day
	<u>Energy Charge:</u>	\$ 0.04559	per Kwhr.
	<u>Company Provided KVAR</u>	\$ 0.14773	per KVAR

**Contracted lighting, signal and
roadway lighting, etc.**

Negotiated Contracts

* After contractual (1925 and 1955) adjustments

- Note: (1) Fuel costs of \$.03613 per KWhr are included in the Energy Charge and subject to adjustment by order of the Public Service Commission of South Carolina.
- (2) The Energy Charges above include a storm damage component of \$.00008 per KWhr for accumulation of a storm damage reserve except contracted lighting, including signal and roadway lighting, which is \$.00152 per KWhr.

Effective Upon Approval of the Public
Service Commission of South Carolina

EXHIBIT G

Retail Rate Impact Projections
(\$millions)

<i>Retail Impact of Gross Revenue Required</i>	96.19%															
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Total</u>	
Retail Margin Forecast(existing rates)	\$ 1,272	\$ 1,273	\$ 1,249	\$ 1,275	\$ 1,306	\$ 1,314	\$ 1,327	\$ 1,339	\$ 1,361	\$ 1,389	\$ 1,419	\$ 1,450	\$ 1,482	\$ 1,509		
Base Retail Fuel Costs @ Current Rates	\$ 803	\$ 798	\$ 766	\$ 790	\$ 807	\$ 811	\$ 820	\$ 824	\$ 834	\$ 846	\$ 857	\$ 869	\$ 881	\$ 898		
Nuclear Fuel Cost Adjustment										\$ (123)	\$ (123)	\$ (123)	\$ (255)	\$ (255)		
Production Tax Credits Applied to Fuel Costs										\$ (124)	\$ (101)	\$ (65)	\$ (98)	\$ (98)		
Net	\$ 803	\$ 798	\$ 766	\$ 790	\$ 807	\$ 811	\$ 820	\$ 824	\$ 834	\$ 598	\$ 633	\$ 681	\$ 527	\$ 544		
Total Base Revenues	\$ 2,075	\$ 2,072	\$ 2,015	\$ 2,064	\$ 2,113	\$ 2,125	\$ 2,147	\$ 2,163	\$ 2,194	\$ 1,988	\$ 2,052	\$ 2,131	\$ 2,010	\$ 2,053		
Incremental Revenue Requirements-BLRA	\$ -	\$ 7.8	\$ 22.5	\$ 54.6	\$ 65.3	\$ 88.4	\$ 106.6	\$ 108.3	\$ 91.3	\$ 245.8	\$ 51.1	\$ 70.1	\$ 169.3	\$ -		
Cumulative Revenue Requirements-BLRA	\$ -	\$ 7.8	\$ 30.3	\$ 84.9	\$ 150.2	\$ 238.6	\$ 345.2	\$ 453.5	\$ 544.7	\$ 790.5	\$ 841.6	\$ 911.7	\$ 1,081.0	\$ 1,081.0		
Gross Revenue	\$ 2,075	\$ 2,079	\$ 2,045	\$ 2,149	\$ 2,263	\$ 2,364	\$ 2,492	\$ 2,617	\$ 2,739	\$ 2,778	\$ 2,894	\$ 3,043	\$ 3,090	\$ 3,134		
Retail Sales	22,150	22,014	21,120	21,783	22,256	22,379	22,602	22,732	22,994	23,328	23,646	23,961	24,289	24,754		
\$/KWH	\$ 0.0937	\$ 0.0945	\$ 0.0968	\$ 0.0987	\$ 0.1017	\$ 0.1056	\$ 0.1103	\$ 0.1151	\$ 0.1191	\$ 0.1191	\$ 0.1224	\$ 0.1270	\$ 0.1272	\$ 0.1266		
Annual Rate Change		0.4%	1.1%	2.7%	3.1%	3.9%	4.4%	4.4%	3.5%	0.0%	2.7%	3.8%	0.2%	-0.5%	2.34%	

Incremental revenue requirements in 2016 and 2019 include projected in-service costs.

The forecasts listed here are indicative of the rate impacts that may be expected from construction and operation of VCSNS Units 2 & 3 on a stand-alone basis. These forecasts do not reflect overall rate changes during the period, which may include changes in such things as fuel costs, and base rates. In addition, actual rate impacts from the Units will vary based on such things as the actual rates of growth in customers and demand during the period, changes in SCE&G's cost of capital, changes in the amount and timing of investment in the Units, changes in in-service expenses, and other factors.